

more than this, we must find ways to give them the recognition that is so long overdue—theirs should be an honored place in our Nation's life. It is rather embarrassing to realize that the U. S. S. R. does much more in the way of acknowledging the teacher's contribution than we.

But I should warn you of a danger into which the teaching profession is falling in an effort to bring the standard of teaching onto a higher plane. Graduate training for teachers is placing all too much emphasis on method rather than upon context. There is far too much demand for degrees than for a true knowledge of subjects taught or of the most important of all: understanding of youth. Do not, I beg you, let this continue.

#### MATURE TEACHER PROGRAM

As we go searching about for more qualified teachers, let us not forget that we have a large reservoir of competent, mature women, who for one reason or another have left the teaching profession. Many are reluctant to come back to the schoolroom, however much they may want to, feeling they have lost ground academically and have too much to catch up with.

Dynamic Alice Leopold, head of the Women's Bureau in Washington, is doing something constructive along this line. As Assistant to the Secretary of Labor for Women's Affairs, she has instituted a program to bring back some 10,000 such women.

You Californians have provided an excellent example of how the refresher courses should be conducted. I understand that at State college here in San Francisco there has been a very active program for preparing older women college graduates for fully certified teaching positions. It is good to know that currently there are some 130 colleges and universities offering programs of this type, and the Women's Bureau receives inquiries daily about them.

#### OUR RESPONSIBILITY TO YOUTH

It is my firm conviction that the school is but an extension of the home—that therefore parents and teachers need each other

if the student is to receive a true education. Parent-teacher associations are expressions of the recognition of a shared responsibility by two of what I might call the component parts of the necessary cooperative action. PTA's should be bulwarks of understanding. They should be the basis upon which the child's sense of security can be built. For education is the preparation for the living of life in a space age. Discipline, respect, integrity, honor, faith in one's self, and in the infinite are more needed today than at any time since man came to live upon the earth. Without these, today's youth will be at a tragic disadvantage when life demands their best.

Children are all any nation has with which to build a future—and they must be given the tools of courage, and vision, of determination, and faith and then they must use them.

Today's young people speak a new language to which we oldsters can well listen. It is ours to give them every possible opportunity based upon restraints and disciplines of body, mind, and soul. It is theirs to use them to build a new world.

#### WORLD LEADERSHIP RESPONSIBILITY

All over the Free World people are looking to America for leadership—leadership that is informed, intelligent, and inspired. Above all, a leadership based upon a deep recognition that it is spiritual leadership the world needs. While her first concern must necessarily be her 170 million citizens, she must also conscientiously assume the grave responsibilities of world leadership.

Basic to any assumption of such leadership is a fuller understanding of other peoples, their hopes, their dreams, their ambitions. At a time when our need for such understanding is greatest, it is disconcerting to learn that fewer and fewer young people are studying foreign languages, and that history instruction is often inadequate to familiarize them with past cultures and other countries to say nothing of their own.

As a young Nation, until recently insulated by two oceans and the political gulf of isolationism, our orientation has been more in-

ward than outward. Now we are challenged to broaden our mental horizons as never before. We are challenged to make our "In God We Trust" constantly more far reaching. Words won't do it—only deeds will. We need to challenge every phase of our living and every step of our way.

Perhaps this that we call education, which I would insist is preparation for the living of life or is nothing, stands near the top of our challenges. Because you who have made it your profession are the first to want it to answer the needs of tomorrow's leaders, you are here together, questioning and discussing its possible faults and the possible improvements that can be made. I have come to you as Senator CHURCH did that you may know that both Houses of the Congress are deeply concerned even as is President Eisenhower. This Nation of ours, conceived in a dream, born of a vision, carries upon her young shoulders a truly terrible responsibility. If we are to be true to the trust the infinite plan placed upon us we must be certain that we still believe that:

"A nation is not a tangible thing, not a building of bricks and mortar that will crash to ruins at the first strong blow. But it is an echo of the past, and a whisper from the future, the whole bound together with the lives, the hopes, and the endeavors of millions of men and women."

We who believe this know that our youth is all we have with which to build a future. Are we giving them health, a wholesome pride in their bodies, a deep curiosity about themselves and their fellow men, an insatiable desire for knowledge and for understanding, a love of God and of His universe?

Yours is the task of so organizing the ever-increasing knowledge man has been given so that it may be theirs to the extent each boy and each girl—each young person—can understand and use it.

May the Infinite give you wisdom and an ever greater comprehension of His desire for mankind upon this earth as you sit here in conference and then separate to return to your several fields of usefulness, stimulated and refreshed by these days.

## SENATE

THURSDAY, MARCH 20, 1958

(Legislative day of Monday, March 17, 1958)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, our Father, our spirits are restless until they find the rest of Thy presence; our hearts are empty and our lives barren until Thou dost possess our very souls. Apart from Thee, feverish days are but tangled tragedy devoid of meaning, dignity, and beauty. In Thy radiance, trivial rounds become sacraments, and common days are glorified; even bitterness, disappointment, and failure are redeemed.

This day, consecrate with Thy presence the way our feet may go, and the humblest work will shine and the rough places be made plain. Suffer not any one of us, by malice or contempt, to bruise the rightful self-respect of any comrade by our side. So help us to walk while it is yet day, following the wounded footprints of Him who, with so few hours in which to labor, was able to say of the most divine task, "It is finished." We ask it in His ever-blessed name. Amen.

## THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, March 19, 1958, was dispensed with.

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

### EXECUTIVE MESSAGE REFERRED

As in executive session, The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 9369) to authorize refunds by the Veterans' Administration of amounts collected from

former servicemen by the Government pursuant to guaranty of life insurance premiums under the original Soldiers' and Sailors' Civil Relief Act of 1940, in which it requested the concurrence of the Senate.

### ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

H. R. 7226. An act to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes; and

H. J. Res. 483. Joint resolution to amend the act of August 20, 1954, establishing a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton.

### HOUSE BILL REFERRED

The bill (H. R. 9369) to authorize refunds by the Veterans' Administration of amounts collected from former servicemen by the Government pursuant to guaranty of life insurance premiums under the original Soldiers' and Sailors' Civil Relief Act of 1940, was read twice by its title and referred to the Committee on Labor and Public Welfare.

### TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, during which Senators may present petitions and memorials, introduce bills, and transact other routine business; and in that connection I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

#### AMENDMENT OF SOCIAL SECURITY ACT, RELATING TO EXTENSION OF UNEMPLOYMENT INSURANCE SYSTEM TO EX-SERVICEMEN

A letter from the Under Secretary of Labor, transmitting a draft proposed legislation to amend title XV of the Social Security Act to extend the unemployment insurance system to ex-servicemen, and for other purposes (with accompanying papers); to the Committee on Finance.

#### AUDIT REPORT ON UNITED STATES SECTION, INTERNATIONAL BOUNDARY AND WATER COMMISSION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the United States Section, International Boundary and Water Commission, United States and Mexico, Department of State, for the fiscal years ended June 30, 1956, and 1957 (with an accompanying report); to the Committee on Government Operations.

#### REPORT ON EXAMINATION OF NEGOTIATION OF FINAL PRICE WITH McDONNELL AIRCRAFT CORP.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on examination of the negotiation of a final price under Department of the Air Force contract AF 33 (600)-8743, with McDonnell Aircraft Corp., St. Louis, Mo., dated March 1958 (with an accompanying report); to the Committee on Government Operations.

#### REPORT ON REVIEW OF ACTIVITIES OF OVERHAUL AND REPAIR DEPARTMENTS, NAVAL AIR STATIONS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of activities of overhaul and repair departments, naval air stations, Department of the Navy, dated March 1958 (with an accompanying report); to the Committee on Government Operations.

#### PROPOSED AMENDMENTS TO CHAPTER X OF BANKRUPTCY ACT

A letter from the Chairman, Securities and Exchange Commission, Washington, D. C., transmitting nine drafts of proposed legislation to amend chapter X of the Bankruptcy Act (with accompanying papers); to the Committee on the Judiciary.

#### SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

### GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

### PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore: Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"Resolutions memorializing the Congress and the President of the United States to enact and enforce legislation to implement the decisions of the Supreme Court of the United States outlawing segregation in the public-school system

"Whereas the Supreme Court of the United States on the 17th day of May, 1954, by unanimous decision held that 'in the field of public education the doctrine of separate but equal has no place'; and

"Whereas the same Court expressed its desire that its decision should be complied with 'with all deliberate speed'; and

"Whereas the 14th amendment to the Constitution of the United States provides that no State shall deny to any person within its jurisdiction equal protection of the laws; and

"Whereas the interests of orderly Government demand that respect and compliance be given to orders issued by courts possessed of jurisdiction of persons and subject matter: Therefore be it

"Resolved that the General Court of Massachusetts respectfully urges the Congress and President of the United States to enact and enforce legislation to implement the decisions of the Supreme Court of the United States outlawing segregation in the public-school system; and be it further

"Resolved, That the Secretary of the Commonwealth transmit forthwith copies of these resolutions to the President of the United States, to the presiding officer of each branch of the Congress of the United States, and to each Member thereof from this Commonwealth.

"House of representatives, adopted March 4, 1958.

"LAWRENCE R. GROVE,  
"Clerk.

"Senate, adopted in concurrence March 10, 1958.

"IRVING N. HAYDEN,  
"Clerk.

"A true copy.  
"Attest:

"EDWARD J. CRONIN,  
"Secretary of the Commonwealth."

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Labor and Public Welfare:

"Resolution memorializing the Congress of the United States to establish a National Scientific Academy in Massachusetts

"Whereas His Excellency the Governor, in his annual message declared: 'Recent events in the shrinking universe in which we live have focused the attention of the American people on our educational requirements, particularly in the field of science. Massachusetts is the national center of research and advanced knowledge in the field of modern technology and nuclear physics. I have since 1949, continuously advocated the

establishment of a United States Scientific Academy'; and

"Whereas the Commonwealth of Massachusetts with its advanced private universities and leading electronic and other allied industries would provide a likely and fruitful location for the teaching, study, research, development, and exchange of scientific information and knowledge: Therefore be it

"Resolved, That the General Court of Massachusetts hereby memorializes the Congress of the United States requesting that the Congress pass all necessary legislation and appropriate sufficient funds to establish a National Scientific Academy; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the Presiding Officer of each branch of Congress and to the Members thereof from this Commonwealth.

"House of representatives, adopted, March 4, 1958.

"LAWRENCE R. GROVE,  
"Clerk.

"Senate, adopted in concurrence, March 10, 1958.

"IRVING N. HAYDEN,  
"Clerk.

"A true copy.  
"Attest:

"EDWARD J. CRONIN,  
"Secretary of the Commonwealth."

A resolution adopted by the Nanticoke Aerie 834, Fraternal Order of Eagles, of Nanticoke, Pa., favoring the enactment of the bill (S. 3138) to prohibit the discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on Labor and Public Welfare.

Resolutions adopted at the 1958 midyear meeting of the house of delegates of the American Bar Association, Chicago, Ill., relating to administrative agency practice and procedure and the desirability of a code of agency-tribunal standard of conduct; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND):

Three concurrent resolutions of the Legislature of the State of South Carolina; to the Committee on Armed Services:

"Concurrent resolution memorializing Congress to prevent the elimination of the 51st Infantry Division of the National Guard

"Whereas information has been received that the Army plans tentatively to eliminate six National Guard divisions as part of its program to reduce guard strength; and

"Whereas one of the divisions would be the 51st Infantry Division made up for the most part of guardsmen from South Carolina; and

"Whereas it is the sense of this body that no State should be without its National Guard; and

"Whereas the National Guard is necessary and its strength vital to the future of the country; and

"Whereas the guard is composed of disciplined volunteers accustomed to a chain of command, who are well trained and are as necessary to our defense in the light of a threat of a national emergency as any manpower group and as essential as any defensive weapon: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That Congress be memorialized to prevent the elimination of the 51st Infantry Division of the National Guard; and be it further

"Resolved, That copies of this resolution be forwarded to each United States Senator from South Carolina, each Member of the House of Representatives from South Carolina, the Senate of the United States, and the House of Representatives of the United States.

"I hereby certify that the foregoing is a true and correct copy of a resolution adopted



by the South Carolina House of Representatives and concurred in by the Senate.

"INEZ WATSON,  
"Clerk of the House."

"Concurrent resolutions memorializing Congress to take the necessary action to carry out its prior appropriations and cause the Bureau of the Budget of the United States to release funds appropriated for the renovation and construction of National Guard Armories

"Whereas the Congress of the United States by its official acts appropriated funds to be expended for the construction and renovation of National Guard Armories; and  
"Whereas the General Assembly of the State of South Carolina, relying in good faith upon the actions of Congress in so appropriating these funds, has appropriated \$200,000 by Act No. 473 of the Acts of 1957; and

"Whereas, the Bureau of the Budget of the United States of America in contravention of the will of the Congress of the United States and the General Assembly of the State of South Carolina has refused to release the funds appropriated by the Congress of the United States and has failed to provide the matching monies and funds promised to the several States by the Congress of the United States: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring): That Congress be memorialized to enact such laws or take such actions as are necessary to force the Bureau of the Budget of the United States to comply with its wishes in appropriating funds for the construction and renovation of National Guard Armories in the several States; be it further

"Resolved, That copies of this resolution be forwarded to the President of the United States, to each United States Senator from South Carolina, to each Member of the House of Representatives to Congress from South Carolina, to the Senate of the United States and to the House of Representatives of the United States.

"I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the South Carolina House of Representatives and concurred in by the Senate.

"INEZ WATSON,  
"Clerk of the House."

"Concurrent resolution memorializing the members of the Congressional delegation from South Carolina to exert their efforts and influence in behalf of retaining the National Guard units at full strength

"Whereas it has come to the attention of the General Assembly of South Carolina that there is a possibility of a reduction in strength in National Guard units; and

"Whereas it is the belief of the members of the General Assembly of South Carolina that these units are most valuable and necessary for defense and for the preservation of sovereign rights of the people of South Carolina: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the members of the Congressional delegation from South Carolina utilize their efforts and influence to retain the National Guard units in South Carolina at their present strength; be it further

"Resolved, That a copy of this resolution be sent to each of the Senators and Members of the House of Representatives in the Congress from South Carolina.

"I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the South Carolina House of Representatives and concurred in by the Senate.

"INEZ WATSON,  
"Clerk of the House."

Mr. THURMOND. Mr. President, I am happy to join my colleague in pre-

senting these memorials from the General Assembly of South Carolina, urging that the South Carolina National Guard, including the 51st Division, be maintained at full strength, and that the Bureau of the Budget release the funds Congress has appropriated for the renovation and construction of National Guard Armories.

The National Guard is an essential and vital part of our Defense Establishment. It provides a means for maintaining a large pool of trained men, at a relatively low cost to the Government. With the tremendous expense that is involved in modern national defense, it is absolutely essential that we keep our National Guard and Reserve units at a high level of readiness.

The National Guard is a branch of our armed services that has the wholehearted and enthusiastic support of the citizenry in the towns and cities where its units are based. It makes for citizen participation in our national defense, in a direct and active way. It contributes, in no small measure, to the economic stability of the towns and cities.

The Armed Forces Reserves, of which the National Guard is an integral part, have always constituted the "minute men" on which we relied in national emergency. Too often these Reserve forces have been neglected so that in the crucial hour they were not large enough or well enough equipped to meet the demands of the time. We must not allow our Reserve forces to fall below strength again.

These resolutions express the sentiments of the overwhelming majority of the people of South Carolina, and, I feel sure, the sentiments of most of the people of the Nation. The Senate would act wisely to follow the sentiments expressed in these resolutions.

The President pro tempore laid before the Senate three concurrent resolutions of the Legislature of the State of South Carolina, identical with the foregoing, which were referred to the Committee on Armed Services.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 8268. An act to amend section 512 of the Internal Revenue Code of 1954 (Rept. No. 1402).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, without amendment:

S. 2715. A bill to disestablish the Balls Bluff National Cemetery, Loudoun County, Virginia, and for other purposes (Rept. No. 1403); and

S. 3087. A bill to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon, and for other purposes (Rept. No. 1404).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, with amendments:

S. 2318. A bill to provide for the conveyance of certain land of the United States to the city of Salem, Ore. (Rept. No. 1405).

By Mr. YOUNG, from the Committee on Agriculture and Forestry, with an amendment:

S. 666. A bill to remove wheat for seeding purposes which has been treated with

poisonous substances from the "unfit for human consumption" category for the purposes of section 22 of the Agricultural Adjustment Act of 1933 (Rept. No. 1406).

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MORTON:

S. 3524. A bill to change the name of the Markland locks and dam to McAlpine locks and dam; to the Committee on Public Works.

(See the remarks of Mr. MORTON when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSTON of South Carolina:

S. 3525. A bill for the relief of Christos Psihogios; to the Committee on the Judiciary.

By Mr. HILL:

S. 3526. A bill to amend the Internal Revenue Code of 1954 so as to allow a deduction from gross income for expenses incurred by a teacher for his further education; and

S. 3527. A bill to amend the Internal Revenue Code of 1954 so as to allow an additional income exemption for an individual who is a student at an institution of higher education; to the Committee on Finance.

By Mrs. SMITH of Maine (for herself and Mr. PAYNE) (by request):

S. 3528. A bill for the relief of Denes de-Torok; to the Committee on the Judiciary.

By Mr. THYE:

S. 3529. A bill to direct the Secretary of the Navy to transfer certain surplus property to Lt. Jack Tuck; to the Committee on Armed Services.

(See the remarks of Mr. THYE when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE (for himself and Mrs. SMITH of Maine):

S. 3530. A bill to amend the Fisheries Cooperative Marketing Act; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. PAYNE when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of South Dakota:

S. 3531. A bill to authorize the interment of Sfc. Donley M. Harris in the Black Hills National Cemetery in South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. LANGER:

S. 3532. A bill for the relief of John J. Klein; to the Committee on the Judiciary.

By Mr. MONRONEY (for himself, Mr. SMATHERS, and Mr. PAYNE):

S. 3533. A bill to amend the definition of the term "Airport development" in the Federal Airport Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. SYMINGTON:

S. 3534. A bill to authorize the Secretary of the Army to convey approximately 181 acres of land at Fort Crowder Military Reservation to the city of Neosho, Mo.; to the Committee on Armed Services.

#### CHANGE OF NAME OF MARKLAND LOCKS AND DAM TO McALPINE LOCKS AND DAM

Mr. MORTON. Mr. President, I introduce for appropriate reference, a bill to change the name of the Markland locks and dam on the Ohio River to the McAlpine locks and dam. Markland locks and dam currently is under construction. It is located some 450 miles upstream from the mouth of the Ohio River and about one mile above the Indiana community of Markland,

from which it draws its present identification.

Work on the project was started in March 1956, and is scheduled for completion by June 1962. The Markland project will cost an estimated \$71.3 million, and it will replace locks 35 through 39 on the Ohio River.

It is customary for the United States Corps of Engineers to designate each project with a geographical identification. Likewise, it has become customary to rechristen many of these projects to memorialize the name and accomplishments of an individual who gave of his devotion and talent to enrich the life of the community which he served.

Such a man was Mr. William H. McAlpine, whose contribution to flood control, power and navigation projects reads like a Who's Who in the history of American waterways development, particularly along the Ohio River. Mr. McAlpine was one of the foremost civil engineers in the United States Army Corps of Engineers. He has long been remembered in the Ohio Valley for his services in connection with the planning and construction of navigation dams on the Ohio River. The huge industrial growth along the "Ruhr of America" can be attributed largely to this dependable waterway, which is now carrying at moderate cost over 70 million tons of freight annually.

Mr. McAlpine was born in Lawrence, Mass., on August 22, 1874. Following graduation from the Massachusetts Institute of Technology in 1896; he worked on engineering projects from Massachusetts to California for about 6 years. In 1902, he became a junior engineer in the Corps of Engineers' Cincinnati district office to design and be in charge of construction of lock No. 10 on the Kentucky River. Four years later he was named assistant engineer, and in this capacity was in local charge of the operation and maintenance of all locks and dams on the Kentucky River. In November 1912 he became principal assistant to the district engineer in Louisville, and was appointed district engineer in June 1919, a position he held until December 1930.

During this period, he directed construction of dams 43, 44, 45, 46, 49, 50, 51, 52, and 53. This system of nine navigational locks and dams below Louisville was developed under his guidance and made the stream into a water highway which fostered the Ohio Valley's great industrial expansion. He left the Louisville district in December 1930 for a 4-year assignment that put him in charge of design and construction of upper Mississippi River locks and dams. In 1934, he came to Washington as Chief of the Engineering Division of the Office, Chief of Engineers, United States Army. He remained with the Chief Engineer's Office in various important capacities until his death on November 1, 1956. As a special assistant to the Chief of Engineers he was a member of consulting boards for a very large number of dams for flood control, hydroelectric power and navigation. He also was a member of the consulting board for the Tennessee Valley Authority and the consulting board named to consider changes in the existing Panama Canal. At his

death, he was a consultant to the Chief of Engineers.

Mr. McAlpine held membership in several professional engineering societies and organizations, and in 1946 received the War Department Exceptional Civilian Service Medal in recognition of his outstanding devotion and accomplishments. His friends have long believed that his modesty has prevented full recognition of his outstanding work, and several organizations have endorsed changing the name of the Markland Dam to McAlpine Dam as a permanent tribute to his memory. Many of the Ohio River locks and dams built under Mr. McAlpine's direction are fast becoming victims of progress. The Ohio River development program proposes a series of new dams which will eliminate these old installations. I believe it most appropriate that the Markland project be renamed in his honor. It will perpetuate the region's memory of a gentleman whose contribution to its economic well-being was immense and should be remembered.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3524) to change the name of the Markland locks and dam to McAlpine locks and dam, introduced by Mr. MORRIS, was received, read twice by its title, and referred to the Committee on Public Works.

#### AMENDMENT OF FISHERIES COOPERATIVE MARKETING ACT

Mr. PAYNE. Mr. President, on behalf of myself and my colleague, the senior Senator from Maine [Mrs. SMITH], I introduce, for appropriate reference, a bill to amend the Fisheries Cooperative Marketing Act. I ask unanimous consent that the bill, together with a statement which I have prepared, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 3530) to amend the Fisheries Cooperative Marketing Act, introduced by Mr. PAYNE (for himself and Mrs. SMITH), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.,* That the act entitled "An act authorizing associations of producers of aquatic products," approved June 25, 1934 (48 Stat. 1213; 15 U. S. C. 521-522) is amended by adding at the end thereof the following new section:

"Sec. 3. No association of persons engaged in the fishery industry as fishermen catching, collecting, or cultivating aquatic products, or as planters of aquatic products on public or private beds, and no officer, agent, employee, or member of any such association, shall be subject to the provisions of the Antitrust Acts with respect to any activity incident to the catching, collecting, cultivating, processing, or marketing of aquatic products. As used in this section, the term 'Antitrust Acts' shall have the meaning given to such term by section 4 of the act entitled 'An act to create a Federal Trade Commission, to define its powers

and duties, and for other purposes,' approved September 26, 1914 (38 Stat. 719; 15 U. S. C. 44)."

The statement presented by Mr. PAYNE is as follows:

#### STATEMENT BY SENATOR PAYNE

This bill would amend the Fisheries Cooperative Marketing Act of 1934 to provide that neither individual fishermen nor non-profit fishermen associations shall be subject to the antitrust laws with regard to fishing activities. The bill is intended to give American fishermen the same statutory treatment as is accorded to farmers under section 6 of the Clayton Act of 1914 which provides that "nothing \* \* \* in the antitrust laws shall \* \* \* forbid the existence and operation of \* \* \* agricultural or horticultural organizations instituted for \* \* \* mutual help, and not having capital stock or conducted for profit. \* \* \* Nor shall such organizations or the members thereof, be held or construed to be illegal combinations or conspiracies in restraint of trade under the antitrust laws."

The Fisheries Cooperative Marketing Act of 1934 was patterned after the Capper-Volstead Act of 1922 which gave agricultural marketing cooperatives an exemption from the antitrust laws. For many years it was assumed that fishermen enjoyed the same status as farmers under the antitrust laws but it is now contended that the 1934 act, by its terms, is limited to marketing cooperatives and does not exempt individual fishermen or non-profit fishermen's associations which fall short of being cooperatives.

The problem created by the present interpretation of the provisions of the 1934 act was brought into sharp focus last summer when the Maine Lobstermen's Association as an organization and its president as an individual were indicted by the Department of Justice for a conspiracy in restraint of trade. The case developed when an oversupply of lobsters during the summer months drove the price down to a point where the fishermen felt they could no longer operate their boats. This oversupply of lobsters was caused by early shedding and by large imports of Canadian lobsters. In an effort to improve the critical economic situation within the lobster industry the Maine lobster fishermen stopped fishing in order to reduce the supply so that the price would return to a reasonable level. This action led to a Federal grand jury investigation which in turn resulted in the indictment of the Maine Lobstermen's Association and its president for a conspiracy in restraint of trade.

This case is presently pending before the Federal district court in Portland, Maine, and the trial is scheduled to be held in May. It should be made absolutely clear that the bill which I have introduced and these remarks are in no way intended to influence or affect the pending litigation. The bill would have no retroactive effect, and the pending case would be decided strictly under the provisions of law existing at the time the controversy arose.

The Department of Justice maintains that it had no alternative but to prosecute under the existing law. The question of whether or not there actually was a conspiracy in restraint of trade will be decided by the courts in due course. It may be several years, however, before this case is finally adjudicated. Unless prompt legislative action is taken to clarify the present law, fishermen will not know for several years whether it is permissible for them to attempt to take concerted action to obtain a fair price for their catch.

While the current case is being adjudicated on its facts under existing law, it is entirely appropriate for the Congress to determine whether or not the law should be clarified insofar as it would affect lobster



catches for future years. This is entirely in keeping with the separation of powers between the judicial and legislative branches of our Government.

Unless legislative action is taken the lobster industry will be in a complete quandary in regard to permissible pricing policies; and the individual lobsterman will be at the mercy of the dealer as far as price is concerned unless he is willing to run the risk of prosecution for violation of the antitrust laws—a risk that neither the farmer nor laborer has to run in bargaining for a fair return for his produce or labor.

Actually this question as to whether or not nonprofit fishermen's associations are exempt from the provisions of the antitrust laws is not limited to the lobster industry but could involve many other segments of the fishing industry.

Enactment of this legislation will give every American fisherman the right to bargain individually or collectively for a fair price for his catch without fear of prosecution under the antitrust laws.

#### INCREASED ANNUITIES TO CERTAIN ANNUITANTS FROM CIVIL SERVICE RETIREMENT AND DISABILITY FUND—AMENDMENTS

Mr. CARLSON. Mr. President, yesterday the majority leader stated that it was his intention to call up by motion Calendar No. 727, which is Senate bill 72, to increase annuities payable to certain annuitants from the civil-service retirement and disability fund and for other purposes.

I advised the majority and minority leaders that after consultation with representatives of the National Association of Retired Civil Workers, I was authorized to offer amendments to the bill which will make some reductions in the original bill, but will still have their approval.

I now submit the proposed amendments for printing, and ask that they lie on the table until such time as the Senate considers S. 72.

The PRESIDENT pro tempore. The amendments will be received, printed, and lie on the table.

#### AMENDMENT OF FEDERAL AID HIGHWAY ACT OF 1956—ADDITIONAL COSPONSORS OF BILL

Mr. GORE. Mr. President, I ask unanimous consent that the names of Senators REVERCOMB and KUCHEL may be added as additional cosponsors of the bill (S. 3414) to amend and supplement the Federal Aid Highway Act, approved June 29, 1956, to authorize appropriations for continuing the construction of highways, and for other purposes, introduced by me, on March 6, 1958.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### TECHNICAL CHANGES IN FEDERAL EXCISE TAX LAWS—ADDITIONAL COSPONSOR OF AMENDMENT

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the name of the Senator from Idaho [Mr. CHURCH] be added as an additional cosponsor of proposed Amendment A of February 24, 1958, to the bill (H. R. 7125), to make technical changes in the Federal excise tax laws, and for other purposes.

This proposed amendment relates to the tax on the transportation of persons and property.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. LONG:

Statement by him relative to visit to the Senate by students and chaperones of Metairie Park (La.) County Day School.

By Mr. FULBRIGHT:

Newsletter dated February 26, 1958, from Representative GEORGE MCGOVERN, of South Dakota, on the subject of education.

#### NOTICE CONCERNING NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Joseph Stockinger, of New York, to be United States marshal, for the eastern district of New York, for the term of 4 years, vice William E. Smith, deceased.

Jack D. Hays, of Arizona, to be United States attorney, for the district of Arizona, for a term of 4 years.

Louis O. Aleksich, of Montana, to be United States marshal, for the district of Montana, for the term of 4 years.

Duncan Wilmer Daugherty, of West Virginia, to be United States attorney, for the southern district of West Virginia, for a term of 4 years, reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, March 27, 1958, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

#### NOTICE OF HEARING ON NOMINATION OF JOHN F. DYER TO BE SEVENTH JUDGE OF THE FIRST CIRCUIT, CIRCUIT COURTS, TERRITORY OF HAWAII

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, March 27, 1958, at 10:30 a. m., in room 424 Senate Office Building, upon the nomination of John F. Dyer, of Hawaii, to be seventh judge of the first circuit, circuit courts, Territory of Hawaii, for the term of 6 years, vice Calvin C. McGregor, term expired.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Indiana [Mr. JENNER], and myself, as chairman.

#### FAVORABLE ASPECTS OF THE ECONOMIC SITUATION

Mr. CARLSON. Mr. President, among our people there is so much pessimism in regard to the economic picture that it might be well for us to stop and take a look at some developments that are taking place, and that should, in the near future, bring about a vigorous, dynamic upswing in our economy.

In the present business recession, we are inclined to look at the valleys; but at the foothills there are indicators which assure increased employment and greatly increased gross national production. So, Mr. President, instead of looking continuously at the gloomy side of the picture, let us look at some facts that should give encouragement to the faint-hearted.

I am listing seven items that are based on the present situation, and the prospects for their growth and expansion. They were furnished to me by one of the good business analysts of our country. They are as follows:

First. Steel output: The present annual rate of steel output is about 71 million tons. At some point in 1958, steel production is likely to cross an annual rate of 115 million tons. Moreover, at some point between now and expiration of the present labor contract, the industry will find itself producing at a rate of between 115 million and 120 million tons.

Second. Defense orders: The placement of new orders has begun a rising trend. The annual rate should advance from the \$12 billion level of last fall up to about \$26 billion.

Third. Gross national product: In the fourth quarter of last year, the gross national product was at an annual rate of about \$434 billion. By the fourth quarter of 1958, we expect at least \$10 billion more than that—in other words, an upswing of \$10 billion from the fourth quarter of 1957 to the fourth quarter of this year.

Fourth. Consumer expenditures: The prospect for the fourth quarter of 1958 is an increase in annual rates, as follows: For services, about \$6 billion; for retail sales, about \$6 billion—or a combined increase of \$12 billion over the amount for the fourth quarter of 1957.

Fifth. Residential building: In the fourth quarter of this year it should be 6 percent to 8 percent higher than for the fourth quarter of 1957.

Sixth. Bank credit: For 1958, total bank credit—loans and investment—should increase by more than \$5 billion.

Seventh. Science and defense: Last year, America spent about \$8.5 billion for science, research, and development. That includes what the Government spent, what private industry spent, and what universities spent. Nearly one-half of the total was related to defense. In 1958, the total figure should increase by more than \$1 billion. It probably will keep going up; and, in 1960, the annual amount for science, research, and development in the American economy should reach \$12 billion.

In view of the above indicators, I think our people and our Nation can well look forward with great confidence to an early period of prosperity.

In its issue of March 13, the Topeka State Journal published an editorial entitled "We Ride Off in All Directions?" I commend it to the Senate, and ask unanimous consent that it be made a part of these remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### WE RIDE OFF IN ALL DIRECTIONS?

Chaos is almost a soft word for the free-for-all competition in Washington to lavish the costliest remedies on an economy that may not really be very sick, or that might get well quicker and stay well longer under its own power.

Basing their fears on a rising unemployment in certain localities, a few voices in both parties have been calling for increased unemployment payments to the jobless.

Meanwhile some citizens wonder what the definition of joblessness is. What is unemployment?

A breadwinner who is laid off through no fault of his or her own is out of a job, to be sure. He needs the work and is unable to get a job. He is unemployed by any fair definition, of course. But is a person genuinely unemployed who was working so that the family would have extra income and a higher-than-usual standard of living—is this person really unemployed when laid off?

In other words, should the definition of unemployment be based on need to work rather than the mere desire or decision to work? And how many hundreds of thousands or millions would be shaved off the current unemployment total if the standard of need were the test? If all persons over 16 decided to work, then must the economy be expected to supply that many jobs? Would all who did not find jobs be classed as unemployed in such a case?

Then, some other Senators called for a new PWA or WPA. But is this business dip already a depression? By what fair test? The younger folks who don't remember the dirty thirties can of course be kidded into thinking so. And this is an election year when handouts are votes. Even President Eisenhower has confused us all by saying last weekend that he rejects pump-priming schemes as damaging to America but wants a spending program of genuinely needed public works. This sounds a little too much like choosing between your poison and my meat.

Now come Vice-President Nixon, Secretary of Labor Mitchell, and other estimable gentlemen proposing an income tax cut as the best way to halt the recession. Mr. Nixon went all out and said an across-the-board tax cut is the fastest, surest, and best method, leaving out only the "mostest."

Does it make sense to be cutting the income tax immediately after raising the national debt limit so that we can borrow more billions to give to our ideological in-laws abroad?

And did we hear some ruffled Jayhawker wondering why, if it is good sense for Washington to cut the income tax, the Topeka statehouse is trying to hike it?

#### WHERE BAD TIMES IN THE NATION HAVE HIT THE HARDEST

Mr. NEUBERGER. Mr. President, the distinguished columnist and author, Marquis Childs, published in the Washington Post and Times Herald of March 18, 1958, a most illuminating article which appeared under the heading "Where Bad Times Hit the Hardest."

My own State of Oregon is one of those listed by Mr. Childs in this unenviable category. Oregon has been crippled economically by tight money, by a slump in housing and in the lumber

industry, and by the administration's policy of no new authorizations for major, multipurpose waterpower projects in the Columbia River Basin.

I think Mr. Childs' analysis offers sound and cogent reasons for enacting immediately the recent proposals put forth by the distinguished junior Senator from Massachusetts [Mr. KENNEDY] and his cosponsors, of whom I am one, for an early extension of unemployment compensation benefits to jobless workers whose claims already have been exhausted. They face the dire specter of hunger or of public welfare—no academic choice to such people.

I ask unanimous consent that the article by Marquis Childs be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### WHERE BAD TIMES HIT THE HARDEST

(By Marquis Childs)

With 15 percent of insured workers unemployed, Montana leads the list of States in an analysis of where the recession is hitting hardest.

Five States, all of them with insured unemployment above 12 percent, are runners-up for this unenviable spot. They are Idaho, Kentucky, Michigan, Oregon, and West Virginia. In each instance they reflect either the wood industry or mining or both or, in the example of Michigan, the manufacture of automobiles.

Nine other States come just below, with more than 10 percent of insured unemployment. These States are Arkansas, Maine, Mississippi, Nevada, North Dakota, Pennsylvania, Rhode Island, Tennessee, and Washington. Another factor, in addition to mining and timber, is added in many of these States, and that is textiles. The national average is 7.9 percent.

All of the above percentages are based on Department of Labor figures on insured unemployment for the week ending February 22. The figures just available, for the week ending March 1, show some increases, and they are particularly significant, since it is in March that the administration has looked for a leveling off and perhaps even the beginning of an upturn.

Between February 22 and March 1 unemployment in Michigan went from 12.2 to 13.2, in Pennsylvania from 10.1 to 10.4, in New Jersey from 9.4 to 9.6, in West Virginia from 12.2 to 12.6. In some States the number of initial claims for unemployment insurance rose sharply while in others it dropped.

But while the recession is spotty, its effects are spread widely, both on the basis of industry and geography. And consequently the political pressures on Government to provide a remedy likewise come from areas scattered around the country.

For a year or more unemployment has been high in the timber and mining States. Senator RICHARD NEUBERGER, of Oregon, has presented statistics to show that of 105,276 persons filing claims for unemployment benefits in the first 7 months of the 1957-58 benefit year in his State, 5,318 have already drawn their full amount and this number is increasing at the rate of more than 800 a week.

The growing unemployment in textiles and mining is having a direct effect on programs the Eisenhower administration considers vital to the Nation's future. From the South, which now has up to three-fourths of all textile manufacture, comes a strong demand for protective tariffs threatening the 5-year extension of the reciprocal trade program which the President puts high on the essential list. From the mining States, a simi-

lar demand is likely to result in special exemptions for hard-hit minerals such as lead and zinc, with dire consequences for America's relations with Canada, Peru, Mexico, and other countries that sell their minerals for dollars here.

In putting together the unemployment picture across the Nation, there are several marked differences between 1958 and the mid-1930's. The most obvious difference is, of course, that in the earlier period mass unemployment above 10 million, which was 20 percent or more of the total work force, became chronic. But what is less well known is the fact that, thanks to able Federal and State unemployment analysts, more or less exact figures are known from week to week and month to month.

Out of the latest jobless total of 5 million, insured workers represent roughly 60 percent. Those without unemployment insurance make up the balance and their numbers are computed by a nationwide sampling taken by the Census Bureau. Among the latter are farm workers and those who have just come into the labor market.

But figures, whether relatively exact as today or mere guesstimates as they were 20 years ago, cannot convey what unemployment really means. They cannot convey what it means to migrant farm workers in Florida, where the freeze destroyed crops, or in the boot heel of Missouri where they wait for work with only the thinnest kind of relief to keep them going. Cold figures cannot picture the dismay in a town such as Biddeford, Maine, where the closing of a textile plant shoots unemployment up to perhaps 30 percent. Here are the harsh realities of unemployment, whether large-scale or small, visible behind the statistics.

#### EXPIRATION OF LEASE OF NAVY DRYDOCK YFD-69

Mr. NEUBERGER. Mr. President, a few days ago I submitted for printing in the CONGRESSIONAL RECORD letters from labor, management, and agencies of local government which are concerned over the announcement of the Bureau of Ships that the lease of the Navy drydock, designated YFD-69, between the Bureau and the port of Portland would not be renegotiated upon its expiration on December 31, 1959.

At this time, Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Gust Anderson, secretary of Central Labor Council of Portland, Oreg., and an accompanying resolution, which was adopted by the council at a recent meeting.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

CENTRAL LABOR COUNCIL  
OF PORTLAND AND VICINITY,  
Portland, Oreg., January 20, 1958.

HON. RICHARD L. NEUBERGER,  
United States Senator,  
Senate Office Building,  
Washington, D. C.

DEAR SENATOR NEUBERGER: The enclosed resolution has been unanimously adopted by the Central Labor Council of Portland and Vicinity and copies ordered sent to the Oregon delegation in Congress for your favorable consideration.

Respectfully,

CENTRAL LABOR COUNCIL OF  
PORTLAND AND VICINITY,  
GUST ANDERSON, Secretary.

#### RESOLUTION

Whereas the livelihood of thousands of skilled industrial workers in the Portland



area and a direct payroll of more than \$12 million dollars annually depends on the substantial volume of ship repair work done in Portland by individual private contractors renting dry docks which are provided and maintained by the port of Portland; and

Whereas the YFD-69, the larger of the port's two dry docks (which are the only two large floating docks on the west coast between Puget Sound and San Francisco Bay), accommodates well over half of all dry dock activity in the area, and is therefore absolutely vital to welfare and operation of the Portland area's maritime commerce; and

Whereas the YFD-69 is leased by the port from the Navy, and the Department of the Navy now refuses to negotiate a renewal or extension of the lease of this Navy dock, which expires in 2 years, and indicates that the lease of the dock will be put up for bid near the termination of the present lease; and

Whereas the continuation of this attitude and policy on the part of the Department of the Navy may result in the removal of the Navy dock from Portland, by reason of the disadvantages the port of Portland, a noncompetitive municipal corporation, would face in bidding against private contractors; and

Whereas loss of the Navy dock would have a disastrous effect upon maritime activity and employment in the Portland area, resulting in curtailment of ship repair activity and direct shipyard employment, the effects of which would spread to many other areas of Portland area economy; and

Whereas this situation is all the more serious by reason of the serious unemployment problem in Oregon at the present time, a situation which should encourage all agencies of the Federal Government to provide help and assistance to the area rather than formulate policies which would result in the opposite; and

Whereas the operation of the Navy dry dock in Portland is in the best interests of the Federal Government, by reason of the substantial and increasing revenues received, the high degree of care and maintenance of the facility in fresh water, and other strategic considerations involving the national defense; and

Whereas the port of Portland has indicated its good faith by offering to increase its rental payments to the Navy in a renegotiated lease, the effect of which would be to increase payments to the Navy by as much as \$50,000 to \$100,000 in the final 2 years of the current lease: Now, therefore, be it

*Resolved*, That the Portland Central Labor Council, AFL-CIO, urges the Department of the Navy, including the Secretary of the Navy and the Assistant Secretary of the Navy for Material, to reconsider the announced policy of putting the lease of the YFD-69 up for bid at the termination of the current lease held by the port of Portland, and in the light of information contained herein and submitted by others, negotiate with the port for a lease renewal or extension which will be in the best interests of all parties; and be it further

*Resolved*, That failing this, the Department of the Navy seek to minimize the damage it will do to the Portland area in the event of the dry dock's removal, by calling for bids on the lease of the YFD-69 immediately instead of near the end of the current lease, so that some time will remain to the port for alternative actions; and be it further

*Resolved*, That copies of this resolution be made available to the many friends of labor, including the President of the United States, the Secretary of the Navy, and the Secretary of Labor, and the full Congressional delegation of the State of Oregon.

CENTRAL LABOR COUNCIL OF  
PORTLAND AND VICINITY,  
GUST ANDERSON, Secretary.

## A GREAT REPUBLICAN SAYS SECRETARY BENSON IS WRONG ON FARM POLICY

Mr. PROXMIER. Mr. President, in 12 more days the order by Secretary Benson to cut dairy price supports to barely \$3 per hundred pounds—to a purchasing power 23 percent below the level that was in effect when he took office—is scheduled to take effect.

I have often repeated, on the Senate floor and elsewhere, that I think Mr. Benson's policies are unfair and unwise. I fear that I shall be compelled to say so often again.

This is not a partisan judgment. Many fine Republican friends of mine in Wisconsin—some of whom supported me, others who did not—agree completely that Mr. Benson's ideas spell sheer disaster for family farming and for small business in our rural communities.

Mr. President, yesterday I read a magazine article by a great and well-known Republican statesman which is one of the most effective and most devastating criticisms of Mr. Benson's ideas on farm policy that I have ever read. It made me very happy to read this article. It renewed my faith that the ideals and principles which won the Republican Party such loyal support from so many fine, honest, sensible people in the Midwest have not been extinguished completely within the present-day Republican ranks. I have a tremendous admiration for the principles which attracted these people to the Republican Party in the past—for their devotion to the independence and integrity of the family-operated farm, for their championship of independent, truly competitive small business, for their militant battles against the concentration of economic power. I am happy indeed to hear the voice of this great Republican friend of the farmer and the independent businessman raised again.

This man, Mr. President, is the Honorable Clifford Hope, who served for 30 years as a distinguished member of the House of Representatives from Kansas.

In a few incisive words, Mr. Hope puts his finger squarely on the flaws in Mr. Benson's arguments. His words are the voice of real wisdom and real devotion to agriculture and to farm people. I commend them to my colleagues in the Senate—particularly Senators of the Republican Party. I ask unanimous consent, Mr. President, that the article by the Honorable Clifford Hope, which appears in the February issue of the GTA Digest, published by the Farmers Union Grain Terminal Association of St. Paul, Minn., be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"LET CONGRESS ACT ON FACTS" SAYS FORMER REPRESENTATIVE CLIFFORD HOPE, OF KANSAS—HE BELIEVES FARMERS NEED LEGISLATED POWERS TO COMPETE WITH BUSINESS AND LABOR

In speaking of realistic farm planning, few men have the authority of experience that belongs to former United States Representa-

tive Clifford R. Hope, of Kansas. Now retired, he continues very active in farm affairs and has been mentioned as Secretary of Agriculture to replace Ezra Taft Benson.

In a recent series of articles published over his name in the High Plains Journal, Dodge City, Kans., Hope discusses the current farm problem. On the following pages, the GTA Digest reprints some of his particularly pertinent comments:

Agriculture is still operating in the main on a free-enterprise basis. The question is how long can such a situation continue, with business and labor going in one direction and agriculture in another.

Until quite recently it seemed to me that Secretary Benson was unaware of this paradox. At least while strongly urging that agriculture operate under a free economy, he said nothing to indicate that he realized that business and labor were doing otherwise. However, in a speech which he made at Ames, Iowa, on December 5, 1957, Mr. Benson indicated that he does recognize very clearly the disadvantages which agriculture suffers on account of the policies of big business and big labor. This is what he said, and I quote:

"Through a period of several years a considerable part of the increased profits that have gone to industry and the higher wages that have gone to labor have been siphoned from the economic bloodstream of the Nation at the expense of agriculture.

"Recently there was announced a further increase in the cost of farm machinery. Just this week the price of cement went up. This fall the cost of motor vehicles rose 3 percent. Why must the competitive strength of labor and management forces always be resolved in higher prices? Why should higher and higher costs rob farmers—take out of farmers' pockets? It doesn't have to be so.

"Tuesday's newspapers carried a demand for a moratorium on demands for wage increases during 1958 by the President of the AFL-CIO Building and Construction Trades Department.

"It makes sense.

"It is sound economic policy in this period of inflation.

"I have always believed in good wages, good farm prices, and just profits. I also believe that the three go together, but whenever any one of these components gets out of line, it adversely affects the other. There is no question that farm prices today are out of line with profits and wages.

"Let us all join in this battle against rising costs—this major robber of net farm income.

"There are many weapons with which to fight. We must maintain a reasonable monetary policy; strengthen sound farmer cooperatives and improve farming efficiency, particularly in marketing and distribution."

There you have it. These are the weapons which Mr. Benson thinks will defeat all the efforts of big business and big labor to increase prices.

If Mr. Benson would be realistic for 5 minutes, he would know that industry and labor are going to keep right on doing what they are doing now. He can wring his hands until doomsday, and they will still keep it up. Back in the 1880's and 1890's, farmers thought there was something they could do about compelling industry and labor to follow the rules of free enterprise. They sponsored antitrust legislation, programs for easy money, control of railroads and railroad rates, and similar measures, in an effort to eliminate monopolies and put business in the same competitive field as agriculture. Some of this legislation was enacted, but we all know that business, and later organized labor, found ways to bypass it and that as time has gone on, monopolistic practices have grown rather than declined.

No, farmers long ago decided that if they were going to get on an equality with business and labor, they must adopt some of the methods used by those groups; that they must seek favorable legislation; that they must to some extent use the instrumentalities of government in developing orderly marketing procedures. That has been the basis of all our farm legislation. In the main it has been an effort to secure equality for agriculture by giving it some of the economic tools possessed and used by industry and labor.

It hasn't been as successful as many would have liked. It is boxed in with many difficulties. In recent years it has been administered very largely by people who were opposed to it.

During the time that Mr. Benson has been in office, Congress at his urging has made various changes in price-support legislation. He urged flexible price supports and Congress gave them to him. That was 3 years ago. He said they would do the job of eliminating the surpluses, but the surpluses have kept growing as has agricultural production; and this year our production was the greatest in history.

Mr. Benson proposed the Soil Bank after originally opposing it; but the Soil Bank has failed to reduce production, although I for one feel that it should have further trial and more effective administration, especially the conservation reserve part of it.

It must not be forgotten that the present farm program is very largely Mr. Benson's program. He complains about controls, but up to now he has never asked Congress to remove controls except in the case of corn. In fact at one time he talked of asking for stronger controls, although he later backed away from this idea.

Recently he has indicated that in the next Congress he will ask for lower price supports and authority to increase acreage allotments. But there will still be controls.

Mr. Benson takes a peculiar position. He blames price supports for all the troubles of agriculture, and I suppose this includes the flexible price supports which he advocated; but he then goes on to point out that only 13 commodities plus dairy products and wool are supported. All the rest finds its price in the market.

He says that price supports make for inefficiency; yet agriculture today is more efficient than ever in our history. Production per man in agriculture has increased 100 percent since 1939. The Bureau of Labor Statistics says that during the same period industrial production per man has increased only 26 percent. Does Mr. Benson contend that production per man would have increased more than 100 percent without price supports?

I am not arguing for or defending present or past programs. Undoubtedly many improvements can be made. But Mr. Benson refused to consider recommendations made by his own commodity committees. He has adopted one line—that is, that he must be given power to reduce support prices to what he thinks they should be.

Mr. Benson's position is that farmers have been paying too much attention to price. The facts are just the opposite. Most of the farmers' troubles are due to the fact that he either doesn't pay enough attention to price, or is unable to do anything about his prices. The fact is that normally farmers keep right on producing, regardless of price; and experience has shown that when prices are low, farmers try to make up price by volume.

The press reports that at its recent annual meeting, the American Farm Bureau Federation adopted a resolution calling for an end to practices by big business and big labor that are termed monopolistic. That

sounds good, but if those practices could not be stopped back in the eighties and nineties when farmers constituted 50 percent of the population, how can they be stopped now when farmers constitute only 12 percent of the population, and the ratio is declining further all the time?

In other words, Mr. Benson and the Farm Bureau seem to think that farmers can reverse the direction of business and labor. In my opinion, that is a wholly unrealistic view.

All of this, of course, further illustrates the seriousness and difficulty of the farmers' problem. I don't think that we can reverse the policies of industry and labor. I therefore think that the efforts of agriculture to secure equality must be along the line of using the same weapons as are being used by industry and labor to the extent that it is possible to do so.

However, I am under no illusions. It is not, and never will be, possible for farmers to put themselves fully in a position where they can exercise the same controls over production and marketing as do industry and labor. Furthermore, whatever they do along this line is going to require some use of Government, because that is the only way by which millions of farmers can act together. If it succeeds, it is going to entail more controls of their business than farmers like to accept.

Realistically, the question is not what general policy are we going to follow; rather it is that of finding the best and most effective methods to use. As I understand Mr. Benson's proposal, he does not have in mind any less control by Government over farmers' activities. What he asks for, if the public is reliably informed, is for Congress to give him the power to lower farm price supports to any level which he sees fit and that existing formulas under which price supports are determined and administered be permanently scrapped.

I do not believe that Congress will give him this power. I do not think Mr. Benson expects Congress will give him that power. He may therefore modify his legislative proposals, but he will ask further authority in the Secretary of Agriculture to deal with farm prices and crop controls.

#### HOW YOUTH SEES THE PROBLEMS OF EDUCATION

Mr. PROXMIRE. Mr. President, the problems we face in educating our young people for the strengthening of the Nation and the enrichment of their own lives have been given much attention on the floor of the Senate.

We have sought help everywhere. We have quoted editorial writers and professors and the programs of national organizations. But I do not remember any instance where we sought the help of the young people themselves.

Recently I received a thoughtful and challenging letter from a group of students in Plymouth High School, in my State of Wisconsin, who have organized themselves voluntarily into a seminar group. They have been discussing the problems of education. Their letter is so reasonable, and so heartening to me because of the mature and responsible attitude it represents, that I want to share it with other Members of the Senate.

Mr. President, I ask unanimous consent that the letter from the Plymouth (Wis.) High School students be printed

in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PLYMOUTH HIGH SCHOOL,  
Plymouth, Wis.

The Honorable WILLIAM PROXMIRE,  
The United States Senate,  
Washington, D. C.

SIR: We are a group of high-school students meeting once a week of our own initiative and on our own time with an instructor to study many things that excite our curiosity, including the problems of our country in general.

We are, for the most part, pleased with the aid to education bill as proposed by the administration. We do, however, have some doubts as to its value. We are wondering where the instructors, teachers, and professors are to come from to give proper and adequate instruction to these 40,000 students. From our limited experience in the schools of this Nation, we know that we have fine teachers, mediocre teachers, and inadequate teachers. The latter type may be small in number, but a small number is too many. We are aware that most of the top young people we have been associated with in our student careers are not going into teaching because of its inadequate financial rewards. We are of the opinion the first problem of education in this country is not to get more good students, but to get more good instructors, and some way must be found to do this.

We believe that the simplest way for the Federal Government to aid in this problem would be through favorable tax exemptions for teachers.

There is no precedent that we know of for this, but the Federal Government has had a hand in education before, through the Smith-Hughes and George-Deane programs. We are not prepared, nor well informed enough to give figures, but we believe the exemptions accorded to teachers should be substantial enough to attract good people to the profession.

We are also of the opinion that this country is in great need of basic research. From a study of history, it seems that the days that have been most fruitful in this respect were (odd as it may seem) in the days of feudalism. This seems to be true because some persons of extreme wealth of the nobility would give a man an ample retainer, tell him to go to work, to paint, to write, to explore, or pursue his interest in his field. Today under our system this is not possible. How can it be made possible? We know that a certain amount of this is done by our great universities but this is not enough. How can we increase it?

We are not inclined to Government grants, for we believe that Government is already overburdened with the functions that must be carried on by the Government and perhaps not best able to supervise such a program. We have a group of people that are, at least in part, experienced in this work. We refer to our large corporations. The corporations, however, have not devoted adequate sums of money to basic research, for the simple reason that they are in business to make money and management must answer to the stockholders. We understand that corporations are able to deduct their laboratory expenses before computing their profits for tax purposes; we believe that this is right and proper, but we suggest that for basic research they be permitted to write off 1½ or twice the amount expended. This will give them an incentive and an immediate profit. The Government would not have to handle the money and dole it out subject to political pressure and we believe that this is the cheapest way to handle



the problem and our great need for basic research can be fulfilled in this manner.

Very truly yours,

Philip Krueger, Thomas Splitterger, Dennis Schmidt, David Wacker, William Bein, Kazuhiko Maekawa, Jim Owens, Jon Gunnemann, Jack Phipps, James Roeher, Plymouth High School Seminar Group.

#### TRANSPORTATION PROBLEMS INVOLVING INLAND BARGE LINES AND AMERICA'S RAILROADS

Mr. NEUBERGER. Mr. President, two excellent presentations on transportation, in which I believe, have just appeared in the New York Times. One is a biographical sketch of George Chadbourne Taylor, head of the Mississippi River Barge Line Co. This article was published in the Times of March 16, 1958. Mr. Taylor emphasized that last year the members of the Inland Waterways Common Carriers Association had operating revenues which amounted to only 1 percent of the total rail gross.

I stress that fact, because I do not believe that the inland waterways are responsible for the railroads' present economic plight. I strongly favor navigation improvements on the Columbia, Mississippi, St. Lawrence, and other great rivers; and I challenge the contention that such interior waterways have crippled the railroads.

I also call attention to a vigorous New York Times editorial of March 11, 1958, entitled "Can the Railroads Wait?" The editorial urges in the following words, that steps be taken immediately to aid and bolster the railroads, which are the Nation's No. 1 haulers of freight and other commodities:

The railroads have already been studied to death. What they chiefly need now is not more study, but helpful, broad action.

I subscribe to that statement by the New York Times. I, for one, am ready and willing to support strong and forceful steps to resuscitate the railroads of American economically—a policy which I believe would be in the national interest.

Mr. President, I ask that both these presentations from recent editions of the New York Times be printed in the body of the RECORD.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Times of March 11, 1958]

#### CAN THE RAILROADS WAIT?

A Senate hearing in Washington about 2 months ago was told that the financial condition of the railroads was precarious, with bankruptcy around the corner. A few days later the railroads doing business in New York State carried a similar message to Albany, with an appeal for help to survive against increased costs, high taxation, duplicated governmental regulation, and subsidized competition of trucking and airlines. In both capitals the initial response was sympathetic.

But what have the Governor and legislative leaders done in this situation generally recognized to be critical? Well, some relatively minor relief seems to be on the way. But rather than tackle the whole problem with comprehensive, prompt action, they ask the public service commission to make a

study of the financial status and prospects of the railroads having lines in the State. We suppose this study will take at least a year. The study of the Long Island was ordered by legislative resolution of February 12, 1957, and the report was delivered March 3, 1958.

The railroads have already been studied to death. What they chiefly need now is not more study but helpful, broad action. This requires hard decisions, some of them politically distasteful in an election year. Some localities rely far too heavily on the railroads for their tax income. They will have to find a new way to support themselves, by spreading taxation. They, and all other localities enjoying any tax revenues from railroads, will need time to make the adjustment—or State financial help to supplant rail taxes. But if we wait another year for a public service commission report, and then have to allow a grace period to the localities to compensate for rail tax loss, the immediate help the railroads need grows dim in the distance.

There are admitted difficulties. It will be little advantage to the railroads to win tax exemption or substantial tax relief in New York, then have to pass on the savings to the Federal Government in the form of enlarged tax. So Washington's help is needed too. But if New York State wants to save its passenger railroads, it must grant them what help it can at this session of the legislature and in some part anticipate the results of a new public service commission study, which will only fill in the detail of a situation known without study to be gloomy.

[From the New York Times of March 16, 1958]

#### PERSONALITY: A WITNESS FOR THE WATERWAYS—TAYLOR DENIES UNITED STATES FAVORITISM FOR BARGE LINES

(By Robert E. Bedingfield)

Among the transportation executives appearing at the Senate hearings into the precarious condition of the Nation's railroads, George Chadbourne Taylor can testify from a relatively secure perch.

Of \$20,675,000 gross revenues of the Mississippi River Barge Line Co., which Mr. Taylor heads, operating expenses last year consumed only \$16,017,000. As a result, the company had an operating profit before taxes of 22.6 percent.

Just how much this favorable ratio depends upon the Government's provision of a right-of-way to Mr. Taylor's company and industry may be discussed tomorrow when Mr. Taylor appears before the Senate investigators.

The Mississippi River Barge Line's 4,000 miles of routes wind up, down, and across the Mississippi, Ohio, Cumberland, Tennessee, Illinois, Allegheny, Monongahela, and Kanawha Rivers.

These streams were around for geological ages before the barge line was formed, but it costs the Federal Government some \$37,612,000 a year to keep the Nation's inland waterways adapted to barges. In the present fiscal year it will spend \$67,681,000 more on improvements.

#### OPPOSES RAILROAD STAND

In common with the eight other member companies of the Inland Waterways Common Carriers Association, in whose behalf he is appearing tomorrow, Mr. Taylor will strongly oppose a railroad proposal to impose direct user charges on barge-line operators to help defray maintenance and improvement of the waterways.

The contention of Mr. Taylor and his industry is that the value of waterway development to the entire country is much greater than its costs. He will argue that cheap barge transportation is only one of the benefits.

The membership of the Inland Waterways Common Carriers Association, Mr. Taylor

will show, handles only 24 billion ton-miles of freight a year, and its operating revenues of \$90 million are only 1 percent of rail gross.

Mr. Taylor says the railroads can hardly claim that his industry is the root of all their evils. He doubts that, if all traffic were removed from the rivers, it would move by rail.

He also opposes the rails' plea for authority to operate common-carrier barge lines and the rails' request for less rate regulation by the Interstate Commerce Commission.

His own company has been subject to ICC regulation since its founding in 1929, and the regulation was by its own choice. The entire waterways' industry wasn't put under the ICC until 11 years later. But the founders of the Mississippi River Barge Line filed with the ICC at the start because the original operation provided for joint rate and route agreements with the rails on carload traffic.

#### DIDN'T FIT IN SHOES

Mr. Taylor's service with his company dates back to its beginning. In an interview last week he recalled that he had spurned his father's advice by entering the transportation field.

"My father was president of the American Express Co.," he said. "He told me never to have any part of the industry."

Mr. Taylor, who was born in Chicago on December 1, 1904, did follow his father's advice when he began his business career. After being graduated from Princeton University in June 1926, he went to work as a purchasing agent in St. Louis for the Johnson, Stevens & Shinkle Shoe Co. He had landed the job through his college roommate's father, L. W. Childers.

After 3 years, Mr. Taylor said, "I knew I had made a mistake."

"I just didn't like the shoe business," he recalled. "Since my college education had been strictly academic, I decided to go to Harvard Business School." But Mr. Taylor spent only one day at Cambridge, and that was in enrolling.

"Mr. Childers heard that I had left the shoe business. I was spending a day with my mother, who lives in Pelham, and Mr. Childers called me at her home. He had just formed the Mississippi Barge Line Co. and offered me a job as chief clerk in the Cincinnati freight office."

#### A RUGGED BEGINNING

The new company was an ambitious venture. It started with capital of \$3,500,000 and was sponsored by the now defunct Goldman Sachs Trading Corp. The collapse of the early 1930's, which destroyed the sponsoring investment trust, had its adverse effects also on the early operations of the barge line.

However, the depression also brought into being a massive public works program, including the canalizing of the inland waterways. As the barge line's routes grew, Mr. Taylor's responsibilities mounted. By the late 1930's, he had been made superintendent of terminals at St. Louis, with jurisdiction over all the company's transfer operations.

Mr. Childers remained president until 1947. A year later Mr. Taylor celebrated his 44th birthday by assuming that post. Since then, the company's gross has about tripled, and earnings after taxes have leaped from \$625,000 to \$2,030,000.

Mr. Taylor explained that his company abandoned its carload interchange traffic with the rails as labor costs for physically transferring the freight from barge to rail and vice versa mounted. He indicates that he is not adverse to renewing agreements with his rail competitors, so long as more equitable arrangements can be made to meet higher operating costs.

His own business embraces the hauling of widely varied freight. One segment has been hit hard by the recession—steel, steel products and scrap. About mid-December this traffic dropped.

#### LEVELED OFF

"It happened almost overnight," Mr. Taylor said. "The drop was about 10 to 12 percent. It still is off by about that amount, but hasn't fallen any further."

Mr. Taylor's entire career in the barge business has been in the office. He takes considerable pride in the fact that his only son is behind the wheel. He is learning to be a towboat pilot.

Mrs. Taylor is the former Frances Brightwell, whom he met in St. Louis. Both Mr. and Mrs. Taylor have little time for formal hobbies. He is chairman of the St. Louis chapter of the Red Cross; Mrs. Taylor has a full-time Red Cross job. She is chairman of the association's volunteer services for the Midwest area.

#### THE WILDERNESS BILL

Mr. SYMINGTON. Mr. President, one of the measures pending before the 85th Congress which has been receiving more and more support throughout the country is the wilderness bill (S. 1176), introduced by the Senator from Minnesota [Mr. HUMPHREY] and a nonpartisan group of cosponsors representing States from coast to coast.

The interest in the measure is mounting in Missouri and elsewhere. That was apparent during the recent North American Wildlife Conference held in St. Louis on March 3, 4, and 5.

The National Wildlife Federation, at its annual convention on the eve of this conference, placed the wilderness bill among its major objectives—No. 3 on its 6-point priority program.

Following these meetings, a thoughtful editorial appeared in the St. Louis Post-Dispatch on March 6, 1958, and I ask unanimous consent to have this editorial printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### TO PRESERVE OUR HERITAGE

When Interior Secretary Seaton was in St. Louis to address the National Wildlife Federation meeting, he spoke a good, strong word for the pending bill to create a national outdoor recreational resources review commission. We hope the Secretary's endorsement helps the measure get to the President's desk in this session. We hope he will find similar occasion to give impetus to the national wilderness preservation bill, also pending in Congress.

The latter bill is equally meritorious and even more urgent, as members of the North American Wildlife Conference, who met here this week, are well aware. While it is desirable to have an inventory of recreation areas that exist, it is still more pressing to provide a firm legal basis for leaving unspoiled the best of the federally controlled areas. The two bills are in a sense companion measures, but neither is in any way a substitute for the other.

Thoreau said more than a century ago that men need "the tonic of the wilderness." If that was true in his time it is even more applicable to our life today. Former National Parks Director Newton B. Drury put the case for both these bills when he said of our great natural beauty areas: "Surely we are not so poor that we need to destroy them or so rich that we can afford to lose them."

Mr. SYMINGTON. Mr. President, while the Congress was in recess last September, the St. Louis Post-Dispatch, in an editorial called Bills for All America, included the wilderness bill in its commendation as "in the country's best interests." I ask unanimous consent that the editorial, dated September 16, 1957, be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### BILLS FOR ALL AMERICA

Two bills that have gone over to the 2d session of the 85th Congress relate to the conservation of natural beauty and resources. Both deserve to be passed next year.

One is the bill to establish the present Dinosaur National Monument as a national park. The other is the bill to make certain that some areas of the public domain are left in their natural state, untouched by man and civilization. The latter is known as the wilderness bill.

Sponsorship of these measures is bipartisan, and that is as it ought to be. The Dinosaur bill is sponsored by Republican Senator ALLOTT, of Colorado, who presents a happy contrast to his predecessor, Eugene Millikin, since Senator Millikin was one of those who sought to flood the magnificent rivers and Steamboat Rock formation, on the Colorado-Utah border, with the proposed Echo Park power dam.

Thanks to conservation leaders and groups, the Echo Park dam was defeated, but it was a long hard fight, and there is no guaranty that the same interests will not bring it up again. That is, no guaranty unless it is made a national park.

The wilderness bill is sponsored by Democratic Senators HUMPHREY, of Minnesota, and NEUBERGER, of Oregon, and enjoys the backing, also, of Republican Senators SMITH of Maine, WILEY, of Wisconsin, and MUNDT, of South Dakota; and Democratic Senators DOUGLAS, of Illinois, MURRAY, of Montana, CLARK, of Pennsylvania, LAUSCHE, of Ohio, and MAGNUSON and JACKSON, of Washington. Its House sponsorship is also bipartisan: O'HARA, of Illinois, REUSS, of Wisconsin, SAYLOR, of Pennsylvania, BALDWIN and MILLER, of California, PORTER, of Oregon, and METCALF, of Montana. This bill is described in the Mirror of Public Opinion today.

As Senator HUMPHREY has explained, the wilderness bill is based on two assumptions. First, that an adequate system of wilderness areas is desirable and can be preserved without sacrificing any other program. Second, that there will not long be any such areas unless they are set aside as wilderness through specific public policy. Senator NEUBERGER is also correct in noting that wild animals, waterfowl, migratory birds, and fishes, and similar resources require outdoor fastnesses and solitudes in which to survive, solitudes that must be safeguarded by some form of legislative shield.

These bills are in the country's best interests and deserve enactment. May the Members of Congress from Missouri and Illinois join in supporting them when the time comes.

Mr. SYMINGTON. Mr. President, the editorial's reference to the Mirror of Public Opinion is to a column which appears regularly on the editorial page of the St. Louis Post-Dispatch, reproducing opinions from other sources. In this instance the reference is to an item called The Tonic of the Wilderness, which is an excerpt from an article by Edwin Way Teale in the Audubon magazine.

Introducing this excerpt the Post-Dispatch commented that—

Thoreau called it the tonic of wildness, and that is what America needs from its few remaining true wildernesses; Senator HUMPHREY and others propose legislation to preserve few remaining wildernesses (as apart from parks); major conservation step.

I ask unanimous consent to have the article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### THE MIRROR OF PUBLIC OPINION

##### THE TONIC OF THE WILDERNESS

(Thoreau called it the tonic of wildness, and that is what America needs from its few remaining true wildernesses; Senator HUMPHREY and others propose legislation to preserve few remaining wildernesses (as apart from parks); major conservation step.)

(By Edwin Way Teale, in the Audubon magazine)

One early fall day, 2 miles above sea level near the Montana-Wyoming line, I stood on the lofty tundra of Beartooth Plateau.

To the north the peaks and forests of the Montana Rockies extended away as far as my vision reached. Here was wilderness unmarked by man. Here was wilderness untouched by civilization. Here was the land as Nez Perce braves had known it crossing Beartooth Pass for centuries before the first white man. In one vast panorama here was a vision of original America, of the wilderness of old—roadless, cityless, billboardless—as wild as the early pioneers saw it.

And just so future generations may also observe it. For at least part of the inspiring vista that spread before me that day is now designated as a primitive area. It is included in the wilderness preservation program of the Federal Government.

During the past few years, in gathering material for recent books, I have visited all 48 States of the Union. Wherever I went the impact of mechanized civilization was apparent. Forests had been sheared. Waterfalls had been reduced to a sad, attenuated flow. People spoke of wild places they had known since childhood, now vanished. Over and over again I heard the same refrain: "This used to be such a beautiful place."

But amid all this devastation there was something of gain. As the wilderness had receded, the appreciation of the wilderness had grown.

"We need," Henry Thoreau wrote in Walden, "the tonic of wildness—to wade sometimes in marshes where the bittern and the meadow hen lurk, to hear the booming of the snipe; to smell the whispering sedge where only some wilder and more solitary fowl builds her nest, and the mink crawls with its belly close to the ground."

And in a more recent day Aldo Leopold has set forth his belief that "the opportunity to see geese is more important than television, and the chance to see a pasque-flower is a right as inalienable as free speech." Such men have spoken for more of us than is generally recognized.

What is a wilderness?

It is, by the strict dictionary definition, an area that is uncultivated and uninhabited by man. In a larger sense it is a sanctuary for all the primal realities of nature unchanged.

But do not the national parks already provide sufficient sanctuaries for wildness?

In the back country of a number of national parks there are wonderful stretches of unspoiled wilderness. However, the fundamental purpose of a national park has not been to preserve wildness as such. It is to protect and make available to the public



some superb example of natural splendor, some area that is unique.

The significance of the wilderness area, on the other hand, lies in characteristics that it shares with all other wilderness areas; namely, natural conditions as completely untouched and unaltered as is consistent with its protection and use as wilderness.

The whole program of wilderness preservation, although never formulated as such by Congress has grown steadily in importance and popular interest. Its greatest danger at present is the fact that the status of any area can be altered merely by administrative decree. A more solid foundation in law is required if the areas that have already been set aside are to continue as land forever wild.

It is for this purpose that Senator HUMPHREY, with a group of cosponsors in the Senate, and Representative JOHN P. SAYLOR, and others, in the House, introduced into the 85th Congress a bipartisan bill to establish a National Wilderness Preservation System.

For the first time, it would give legal recognition to wilderness preservation as a national policy. It would designate specific areas to be set aside. It would outline the public policy in regard to them—such as that man himself is a member of the natural community who visits but does not remain and whose travels leave only trails.

It would set up a central advisory and information group, a repository of files for the System, known as the National Wilderness Preservation Council. In the main, the bill would preserve the status quo. No new land administration agency would be set up. Jurisdiction would continue, as in the past, in various agencies of the Government.

Known as the national wilderness preservation bill, it represents one of the most important steps forward in the history of wilderness preservation in America.

#### PROPOSED ADDITIONAL UNEMPLOYMENT COMPENSATION BENEFITS

Mr. ROBERTSON. Mr. President, the morning papers state that President Eisenhower informed a group of governors yesterday that he would recommend to the Congress a bill authorizing the payment of 13 additional weeks of unemployment compensation benefits.

Those who have not served in the Congress for the past 17 years may be unaware of the fact that this is the fifth time a proposal of similar nature has been made to the Congress. Three of the bills were considered by the House Ways and Means Committee, of which I was then a member, and the fourth by the Senate Finance Committee, when Senator George was chairman.

Neither committee reported any bill on this subject, for the simple reason that the Congress has no constitutional right to appropriate public funds for the benefit of one individual or a relatively small group of individuals solely because he or they may be temporarily unemployed. In addition the proposals, first in 1942 as a mere grant to the States, and then in 1944 as an open and avowed effort to regulate State employment compensation laws, were such a clear invasion of States rights that they were promptly repudiated.

I recall most distinctly the impressive showing made before the Ways and Means Committee in February of 1942 by a group of seven outstanding governors headed by Governor Stassen of

Minnesota, who was then chairman of the National Conference of Governors, and, therefore, speaking for the group as well as for himself, on the first bill of this character, namely, H. R. 6559.

Governor Stassen in voicing his personal opposition to the bill said that while each governor was privileged to speak for his own State, "I do appear to present the almost unanimous support of the governors of the respective States in opposition to this measure." With his testimony, Governor Stassen filed many telegrams from governors which will be found commencing on page 351 of the Ways and Means Committee hearings on H. R. 6559.

In opening his splendid statement in opposition to the bill and in behalf of the preservation of States rights, our distinguished colleague, the senior Senator from Massachusetts [Mr. SALTONSTALL], then Governor of his State, said:

I am here as Governor of Massachusetts to oppose this bill, H. R. 6559. This past autumn, the New England Conference of Governors met and unanimously sent a telegram to the President opposing the federalization of unemployment security, and on Friday, after talking with Congressman Treadway, and learning that I might be able to come here and testify, I called up each one of our New England governors. I have conferred with several of the New England governors, including Governor Wills, of Vermont; Governor Sewall, of Maine; and Governor Blood, of New Hampshire, who is present here to testify. Governor Hurley, of Connecticut, has sent me a telegram authorizing me to state that he still opposes this bill 100 percent. He is opposed to the federalization of unemployment security, as is Governor McGrath, of Rhode Island. So I might state that the governors of the New England States are opposed to the principles of this bill, H. R. 6559.

I realize, of course, that in 1954 our United States Supreme Court said in effect that no matter what the 14th amendment to the Constitution may have meant to those who framed it and to the court that decided the school segregation case of Plessy against Ferguson, it meant something different in 1954. But, Mr. President, regardless of the views of those who may think that time alone is sufficient to change the meaning of our written Constitution, I have seen no open repudiation of the doctrine announced by the great Court headed by Chief Justice Hughes in 1936, which said:

The general rule with regard to the respective powers of the National and the State Governments under the Constitution, is not in doubt. The States were before the Constitution; and, consequently, their legislative powers antedated the Constitution. Those who framed and those who adopted that instrument meant to carve from the general mass of legislative powers, then possessed by the States, only such portions as it was thought wise to confer upon the Federal Government; and in order that there should be no uncertainty in respect to what was taken and what was left, the national powers of legislation were not aggregated but enumerated—with the result that what was not embraced by the enumeration remained vested in the States without change or impairment.

And in the same decision, in which all efforts to undermine and construe away

the plain meaning of the Constitution were deplored, the Court added this significant statement:

Every journey to a forbidden end begins with the first step; and the danger of such a step by the Federal Government in the direction of taking over the powers of the States is that the end of the journey may find the States so despoiled of their powers, or—what may amount to the same thing—so relieved of the responsibilities which possession of the powers necessarily enjoins, as to reduce them to little more than geographical subdivisions of the national domain. It is safe to say that if, when the Constitution was under consideration, it had been thought that any such danger lurked behind its plain words, it would never have been ratified.

The point I wish to emphasize, Mr. President, is just this: If, in February 1942, practically every governor in the entire United States felt that the proposal to give additional compensation benefits to temporarily displaced workers and especially automobile workers as their plants shifted to wartime projects was an improper and undesirable invasion of States rights, in what way have the intervening 16 years changed the 10th amendment of the Constitution, which clearly says that all rights not delegated to the Federal Government are reserved to the States and the people thereof?

#### PURCHASE OF MILITARY TRUCKS FROM JAPAN

Mr. POTTER. Mr. President, I should like to bring to the attention of the Senate a matter which is most shocking. It has serious consequences for working men and women in my own State of Michigan and throughout the country.

Very recently I learned that the Department of Defense, in connection with the military assistance program, is purchasing military trucks manufactured in Japan. Frankly, at first, I placed little credence in the report. I could not believe that our Department of Defense would take action so adverse to our own automotive industry and to the men and women employed therein. Unfortunately, the facts are as reported. I have verified them.

The truth of the matter is that the Department of Defense has approved for procurement in Japan, in fiscal year 1958, military trucks valued at approximately \$21 million. Moreover, in the fiscal year 1957 the Department initiated a comprehensive 5-year program to rebuild military vehicles and to procure new military vehicles in Japan. So apparently the \$21 million we are paying the Japanese automotive industry for military trucks in the fiscal year 1958 is not the end of this tragic episode. I say tragic because that is exactly the situation for almost half a million unemployed automotive workers in my Michigan, to say nothing of the unemployed across the Nation in industries which supply the automotive companies.

I am beginning to fear that there is a great deal of truth in a comment which is making the rounds about our Government. People are saying that the Federal Government is becoming more and

more like a dinosaur. The body is growing so big, the head is growing so fast, and the tail is becoming so long, that when the dinosaur is kicked in the tail, the head does not know what is happening.

Mr. President, to my mind it is unthinkable and unconscionable that our own people should be bypassed in this fashion, particularly when we remember that their taxes are helping to pay the bill.

As a member of the Senate Appropriations Committee, I shall pursue this subject most vigorously when appropriation of funds for the military assistance program comes before our committee, to see that the best interests of our own workers are protected.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. POTTER. I yield.

Mr. ELLENDER. Who purchased the trucks to which the Senator has referred? Has the Senator any facts relating to the purchases?

Mr. POTTER. Yes; I have the information. As is frequently the case, the text is marked "Confidential" and cannot be released. But I can assure the Senator that the facts are as stated. Twenty-one million dollars is being spent to purchase trucks in Japan from Japanese truck manufacturers. The Senator realizes, of course, that after the needs of the military for such trucks are fulfilled, Japanese trucks can be brought into our market in competition with American-made trucks.

Mr. ELLENDER. The Senator knows that that condition is not peculiar to Japan. As I have pointed out many times on the floor of the Senate, funds of the taxpayers have been used in order to reestablish automobile factories in Italy and France. Today the streets of our cities are cluttered with foreign-made cars. Who is responsible for that?

Mr. POTTER. The chickens are coming home to roost.

Mr. ELLENDER. The chickens are coming home to roost. I have been preaching that doctrine for years. I hope that when the foreign aid bill comes before the Senate for consideration this year the Senator from Michigan and other Senators who have been voting for such aid will take note of the situation. For the past 4 or 5 years I have attempted to prevail upon my distinguished colleagues in the Senate to look behind the fancy, generalized words which have been used to describe our foreign-aid program. I have urged them to look further than the glowing economic terms that have been given us as justification for the spending of billions of taxpayers' dollars.

And now the truth is coming home to us. I have urged that the distinguished Members of the Senate look closely and see exactly what our dollars have been doing, rather than to be content with the platitudes mouthed by the administration. But that is in the past.

Let us now, with a recession stalking our own land, look over the foreign-aid program when it comes before this body later in the session, and examine it closely. Let us look and see to what use our dollars are being put.

In the course of my inspections of our foreign-aid operations around the world, I have found waste on a colossal scale. As I have said before, and as I would like to say at this time, I am not opposed to a reasonable and realistic foreign-aid program—but I am opposed to waste. I am also opposed to any type foreign aid which converts American dollars into a direct threat to the economic security of American industry, agriculture or labor.

In our zeal to combat the rising tide of communism, let us not forget that the greatest weapon in the Free World's arsenal against communism's attempt at world domination is not the latest offspring from the scientist's Pandora's box of atomic deadliness—it is the economic strength of the United States.

We must keep that thought in mind, as we attempt to get those who have received so much help from us in recent years to aid us in continuing the Free World's battle.

Mr. POTTER. The Senator from Louisiana has been most diligent in past years in bringing the situation to the attention of the Senate.

We are now in a period of unemployment. In Michigan alone more than 400,000 automobile workers are unemployed. To use the dollars of the American taxpayers to revitalize an industry in Japan by purchases of trucks which could just as well be made from American industry is indefensible. Eventually such trucks will enter our market in competition with American industry.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. JOHNSTON of South Carolina. I should like to say a word with regard to the manufacture of cloth. We have been having a great deal of trouble with the Japanese in that field. Our own Government would not establish any restrictions on the amount coming into the United States. The Japanese said, "We expect to send in only a small amount." The administration said, "That is fine."

We have been unable to persuade the administration to do anything to prevent the flow of Japanese cloth into our market. Japanese cloth is made with cheap labor, which is paid less than one-fourth the wages we pay in the United States.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. ELLENDER. Does the Senator intend to take up the subject with the State Department and find out who is responsible for this situation?

Mr. POTTER. I do. I think the Senate Appropriations Committee should take up the subject and find out in what other areas similar situations exist, and what other industries are affected.

Mr. ELLENDER. We do not need an investigation to find that out. From personal knowledge I can point out many instances in which we are being traded out—not only in the automobile industry, but in other manufacturing industries, as well as in the production of farm commodities.

I have been preaching that doctrine on the floor of the Senate for the past 4 years. I am surprised that so few of

my colleagues have taken notice of the situation up to now. It seems that lightning must strike before they see the light.

#### EXTENSION OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. KNOWLAND. Mr. President, has morning business been concluded?

The PRESIDING OFFICER (Mr. MORTON in the chair). Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3420) to extend and amend the Agricultural Trade Development and Assistance Act of 1954.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to submit a unanimous-consent agreement on behalf of myself and the minority leader and ask that it be reported. Then I shall suggest the absence of a quorum, if no other Senator desires to address the Senate.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be read.

The unanimous-consent agreement was read, as follows:

#### UNANIMOUS-CONSENT AGREEMENT

Ordered, That during the further consideration of the bill (S. 3420) to extend and amend the Agricultural Trade Development and Assistance Act of 1954, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 30 minutes, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. JOHNSTON of South Carolina. Mr. President, I send an amendment to the desk, which I intend to call up later.

The PRESIDING OFFICER. The amendment will be received and will lie on the table.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.



The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask that the unanimous-consent agreement, as modified, be again reported. I am asking that the time be modified, to provide for 1 hour of debate on the bill, instead of 30 minutes, to be equally divided, 30 minutes to each side. I should like to call the modified agreement to the attention of all Senators.

The PRESIDING OFFICER. The proposed unanimous-consent agreement, as modified, will be read.

The unanimous-consent agreement, as modified, was read as follows:

#### UNANIMOUS-CONSENT AGREEMENT

*Ordered*, That during the further consideration of the bill (S. 3420) to extend and amend the Agricultural Trade Development and Assistance Act of 1954, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement submitted by the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. What is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the perfecting amendment of the Senator from Minnesota [Mr. HUMPHREY] to strike out section 6, and proposing certain changes in the text of section 5.

Mr. AIKEN. Mr. President, I see no objection to the perfecting amendment offered by the Senator from Minnesota. It does not remove the major opposition to sections 5 and 6 of the bill. As I understand, the amendment would require the payment of the regular rates of duty on nonstrategic materials obtained under barter deals. Also, it would not require other agencies of the Government to buy nonstrategic materials from the Commodity Credit Corporation; it would leave to the Commodity Credit Corporation to hold such goods as might be obtained.

As I have said, the amendment goes only about 2 percent of the way toward

meeting the major objections to sections 5 and 6. But I have no objection to any amendment which goes even that far. Therefore, I have no objection to the amendment of the Senator from Minnesota.

Mr. JOHNSON of Texas. Mr. President, as I understand, the distinguished Senator from Vermont has no objection to the amendment, so the Senate may act upon it by our yielding back the time and agreeing to the amendment. I yield back my time on the condition that the Senator from Vermont will do likewise.

Mr. AIKEN. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HOB-LITZELL in the chair.) The question is on agreeing to the amendment offered by the Senator from Minnesota.

The amendment was agreed to.

Mr. AIKEN. Mr. President, as I understand, the pending question now is on the amendment which I offered for the Senator from Iowa and myself to strike out sections 5 and 6, the amendment now being modified to strike out section 5 only, as section 6 is no longer in the bill.

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. Mr. President, if it is agreeable to the Senator from Vermont, I yield to the Senator from Kentucky 5 minutes from the time on the bill.

Mr. AIKEN. That is agreeable.

Mr. MORTON. Mr. President, I feel that a certain amount of barter has its place in the Public Law 480 program. I think it is beneficial, and I favor a certain amount of it. But I think there is confusion in the minds of many persons about how the barter program works. People think of barter as a trade. They think we trade wheat for, let us say, platinum.

The way the barter program has worked has been that we sold wheat, for example, through private channels for either dollars or currencies which were convertible, for the most part, into dollars. With those funds we would go to some other country and buy raw materials, largely through private channels.

Much has been said of the May 28 press release of the Department of Agriculture, which had the effect of practically shutting off the so-called barter program. I am not too happy about certain features or paragraphs of that release. Specifically, I am not happy about item 6 in the release, which precludes the processing in this country of any material which is received in barter.

In other words, if an ore which is to come into the United States is in a raw state, in a condition of dust, so that it might blow away and is expendable, it will be processed into another state, so that it will keep indefinitely. This processing has to be done overseas, according to item 6 of the May 28 release, and I am not too happy about that. I know there are certain reasons for it, but I feel that that policy should be reviewed and changed.

There are other features in the release, which is in the nature of regula-

tions issued by the Department of Agriculture, which I think should be liberalized so that the amount of barter could be increased from its present level, which is very low, to an amount which would be more realistic.

I have great fear that the bill before the Senate will overencourage bartering. It is true, as the bill provides, that a ceiling is established at \$500 million a year, and that no floor is established. But it is clear from the report and from the debate so far that the \$500 million is a figure which the proponents of the bill hope will be attained, and they strongly suggest that the Department of Agriculture barter \$500 million worth of products a year.

Why are some persons so much concerned about including in the law a provision to require the exporting of \$500 million of surpluses through barter? If the bartered material is, in the first instance, sold in most cases for dollars, or if not for dollars, for pretty sound currencies, why the barter provision? That is clear, and we find the explanation in the report on the bill. Those who engage in the barter get a price advantage over those who engage in selling United States agricultural surpluses for cash.

On page 4 of the report we read:

Barter arrangements of this type contribute to increased exportation of agricultural commodities in two ways as follows: (1) the barter contractor pays the exporter a commission, or in some similar manner, the exporter is enabled to reduce the export price slightly and thereby sell the commodity.

Somehow, through the use of money, or a profit made on the incoming article in the barter transaction, but in the same manner, a price advantage is given to the exporters who use the barter method over the exporters who sell for cash. Those who used the barter method were stepping pretty high for a time in the free use of money. They took money of which they had the free use, and that was more than the profit they needed. So they cut their price to move the material.

That is fine. I favor aggressive selling. I think it is necessary to be aggressive in getting behind the moving of surpluses. But let us not do so in direct competition, and in a way that is injurious to the hard-working exporters who have been for years and are now engaged in selling American agricultural products abroad for cash.

In my own State we have an example of this. There are many exporting firms which have remained in the same families for generations. They are highly specialized firms. Their entire effort is directed toward the export of the various types of tobacco grown in Kentucky and elsewhere in the Southeast. Theirs is a highly specialized business. Those firms have been having hard times lately. It is not their fault. The fault is that the price of tobacco on the world market is high, and the volume, therefore, has dropped. But the skills, energies, and talents of the tobacco-exporting firms are being preserved, because of the specialized effort necessary to export tobacco.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. AIKEN. I yield 3 more minutes to the Senator from Kentucky.

Mr. MORTON. We cannot afford to have those people go out of business, we shall need them. They do not know a thing about importing platinum, chrome ore, tung oil, or anything else of that nature. The firms I have mentioned are not able to remain in business when the international traders in New York get the business, and it goes outside normal channels.

There is a long-range aspect of the matter which is for the benefit of the American farmer. We are confronted with an immediate problem. That problem is to dispose of surpluses.

I want to see Public Law 480 continued, and I want to see the barter provision continued. There is not enough bartering at present. But I fear that if the amount is increased to \$500 million a year, we will not know how many years it will continue—we have already had pressure to provide for 2 years—and the pressure will increase to have the amount increased to \$1 billion a year.

If the measure shall be enacted in its present form, I am of the opinion that those who are specialists in the exporting of agricultural products, those who know how to aggressively sell them on the world market, will be forced out of the picture entirely by international traders who are specialists, perhaps, in platinum, diamonds, star sapphires, or something else of that nature.

Certainly our tobacco exporters in Kentucky do not pretend to know anything about practice, and they should not be forced into competition with the big New York, international operators who will pick up the tobacco and, because they know how to buy industrial diamonds and how to make use of their money and how to proceed in the other ways, undersell the American exporter who confines his efforts to the specialized field in which he has always dealt.

For these reasons, Mr. President, I shall support the amendment submitted by the Senator from Vermont.

In conclusion, I wish to say that I favor passage of the bill as a whole, and I am not opposed to barter. I came to this position after listening faithfully, to the debate for 2 days.

I do not believe that the Department of Agriculture, in its argument against the bill, has made a good case. I believe we should review the regulations of May 28.

I do not wish to see this matter opened up in the way in which it might be opened up by means of this bill. Under the pressures which are to come, the total might far exceed \$1 billion a year.

Mr. HUMPHREY. Mr. President, as I understand, on the pending question 15 minutes is available to each side.

The PRESIDING OFFICER (Mr. HOB-LITZELL in the chair). That is correct.

Mr. HUMPHREY. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 10 minutes.

Mr. HUMPHREY. Mr. President, I appreciate the views which have been expressed by the Senator from Kentucky.

I believe there are some points which it might be helpful to clarify.

There is no argument about the necessity to give reasonable assistance to the farmers, under the terms of the Commodity Credit Corporation Act or under the terms of Public Law 480.

The issue is over language contained in the pending bill, as contrasted to the language of Public Law 480, the existing statute.

The language of the existing statute has been interpreted by the Department of Agriculture in such a way as to limit severely the barter operations. That has been done under the doctrine of what is called the certificate of additionality. That is the source of about the only argument in this case.

However, during the debate, some points which have been raised need to be clarified, in my opinion, for the sake of the integrity of the Record.

Mr. President, I have met with those who handle the barter program. They testified before the Senate Committee on Agriculture and Forestry.

A large number of scare arguments have been raised during the debate. But they have no merit in fact, and they have hardly any merit in fiction.

For example, one argument which has been made has been that under the barter program the country would be flooded with materials other than strategic materials. I have been informed by responsible officials of the Government—and, by the way, that information is set forth in the Senate committee hearings—that any barter agreement is undertaken only after a procurement directive has been issued by the Government of the United States, or after a request for particular materials which are not available on the American market has been received from a Government agency.

The Department of Agriculture does not barter willy nilly, under the barter program. The Department barterers on the basis of procurement directives and specific requests from another Government agency.

Furthermore, all these directives and all these procurement requests are arrived at only after all departments of the Government that are concerned have been heard from. For example, the following participate in consultations in an interdepartmental committee: Representatives of the State Department, who endeavor to determine the effect of any proposed barter on our foreign policy; representatives of the Department of Commerce, who endeavor to determine how such barter would affect our domestic industries; representatives of the Department of the Interior, who endeavor to determine what the proposed barter arrangement might do to our domestic metals or minerals; representatives of the General Services Administration, which is responsible for giving technical advice on bartering to the Department of Agriculture; and representatives of the Office of Defense Mobiliza-

tion, which is responsible for the overall national policy regarding strategic and critical materials and stockpiling.

I am attempting to state what the record reveals, namely, that no barter arrangements are arrived at simply on the basis that someone wishes to engage in barter. The Department of Agriculture is not required to barter for any particular commodity. It barterers only when it finds that bartering is in the public interest.

Furthermore, there have been some statements to the effect that under a barter arrangement which might be made, tung oil or wool, for example, might come into the United States and be in the possession of the Commodity Credit Corporation. Of course, such statements are based on the theory that the Secretary of Agriculture, who has the responsibility for the barter program, would exercise such poor judgment as to cause the American market to be flooded with agricultural commodities—if the limitation contained in the bill could be said to make possible a flood. Such statements are made on the supposition or presumption that the Secretary of Agriculture is incompetent or is willfully malicious.

Mr. President, I do not make such an assumption, and I do not think there is any evidence that such things have been done under the barter program.

Furthermore, under the barter program the Secretary of Agriculture barterers only for commodities which are required by another Government agency, or approved for stockpile purposes by a procurement directive. For instance, he will barter for commodities which are required by the Department of State, and will do so at its request; or he will barter for commodities which are required by the Department of Defense, and will do so at its request; or he will barter for commodities which are required by the Office of Defense Mobilization, for the national stockpile or the supplemental stockpile, and will do so at its request. That is the way the program operates.

However, we find that there exists a considerable amount of misinformation regarding the economic operations of the barter program.

I have checked to ascertain who favors an expanded barter program. I find that an expanded barter program is favored by, among many others, the National Foreign Trade Council, which is composed of representatives of some of the largest companies in the United States—for instance, General Motors Corp., the Singer Co., the International Business Machines Corp., and the International Harvester Co., a number of great exporting companies and great domestic producers. At its conference of last fall, the National Foreign Trade Council went on record in support of an expanded program of barter for strategic and other materials which are in short supply in the United States—in other words, such materials of which the United States does not have a sufficient supply.



So we find that some of the greatest industries of the Nation have been calling upon the Department of Agriculture and, through it, upon the Government, to expand the barter program for strategic and other materials of which a sufficient supply does not exist in the United States. That is exactly what is covered by section 303 of the pending bill.

Mr. President, I have checked further in order to reassure both myself and my colleagues. I have checked with the Department of Agriculture and with the Department of the Interior. I find, for example, that before any metal or mineral is bartered for, the Government of the United States checks with American industry, American labor, and the American market to make sure that whatever may be bartered for will not have an injurious effect upon the American market but, instead, will have a helpful effect.

For example, let me point out that I have been assured that the ferrochrome industry, which has huge processing plants throughout the Nation, was producing at about 45 percent of capacity before the barter program went into effect approximately 2½ years ago. In other words, unemployment existed and the facilities of the industry were not being properly used. However, after the barter program went into effect, and after ferrochrome metals were made available to the processing plants, the results were 95 percent employment and 95 percent production. Today the barter program has been cut off, and today the ferrochrome industry is operating at 40 percent of capacity and unemployment again exists in that industry. The same was true as to lead, and the same was true as to zinc.

The other day I heard reference made to fluorspar. It was stated that under this program it might be possible to bring into the United States fluorspar which would have an injurious effect upon the American fluorspar industry. However, I find that the only material for which our country has bartered is what is called the acid type of fluorspar—a type which the United States does not produce, but which is needed by the United States.

So, Mr. President, I am attempting to say to my colleagues that everything that is done under the barter provision is done upon the advice of the most capable experts in the Government.

Finally, the Government of the United States reports to the Senate that on barter arrangements we have made money. We have bought materials for our stockpile, thereby being able to give stability to the American metal and mineral market. I regret our friends from Western States are not present to hear these statements. We have purchased those materials, in all instances, at competitive prices, where we have been able to get strategic materials for our Government at world market prices at a saving to the taxpayers of the United States.

This is not my word, Mr. President; it is the word of the Department of Agriculture, which is responsible for the barter program. It is the word of the Office of Defense Mobilization and of the General Services Administration. In

other words, we have saved money on the barter program, in terms of cost of materials we have acquired. We have saved money on the barter program in terms of storage savings on agricultural commodities that have been sold under barter. We have improved American industry under the barter program. We have given employment under the barter program. We have been able to liquidate some of our agricultural stocks under the barter program, for good and sound reasons.

I checked out every line of the language of this amendment insofar as the words relate to both the critical stockpile and the supplemental stockpile. The language in the bill has the same effect as in the previous law, Public Law 480. What really is required, and it is the difference between what we now have before us and what the law is at present, is the emphasis which the Congress places on the Department of Agriculture to barter when it is in the public interest, to barter where we can make savings, and to barter for supplies that do not deteriorate.

It has been stated that we have too many industrial diamonds. I want to make the record clear that every machine tool industry using high-grade steels requires industrial diamonds. Mining operations require industrial diamonds. While for a period of time, we have had more industrial diamonds than the American market can absorb, industrial diamonds are absolutely necessary to an industrial society.

We produce 5 percent of our platinum needs. The Soviet Union produces 85 percent of the world's platinum. We have to scrounge around the world's market to get our share of the other 10 percent, where, if we have been able to get it, we have either been paying exorbitant prices on the world market or we have been able to barter to fill our platinum stocks.

The PRESIDING OFFICER (Mr. HOBLITZELL in the chair). The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. I yield myself the remainder of the time allotted to me.

I see present the Senator from Montana [Mr. MANSFIELD]. I want him to know I have doublechecked again this morning with those responsible for the barter program, insofar as metals and minerals are concerned. The analysis of the information I have received shows that under the barter program the American minerals and metals market has been strengthened. Under the barter program all of the minerals and metals are sealed off, and it takes a joint resolution of Congress to take anything out of the supplemental stockpile. It takes an act of war to make it possible for the President to take those materials out of the strategic stockpile or is required that Congress be notified, and nothing can be done for 6 months, during which time Congress can approve or disapprove such action.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Does that apply to the supplemental stockpile as well?

Mr. HUMPHREY. Yes.

Mr. MANSFIELD. The Senator from Minnesota has stated that our supply of platinum is short; but we are not short in manganese, tungsten, lead, or zinc. What is the status with reference to those metals? Will there be any bartering as to them?

Mr. HUMPHREY. Not if we have what we need. What we do is seek the advice of the industry. We seek the advice of the industrial group, as well as the workers. We seek the advice of those who do the processing. We seek the advice of the General Services Administration and the agency having jurisdiction. Unless the acquisition of the metal is to the advantage of the national security or is to the advantage of our own industry, it is not bartered for. If it is obtained, it is locked up, and thereby bolsters our market.

Mr. MANSFIELD. Am I to understand that if the Senator's proposal is adopted, insofar as the stockpiling of lead, zinc, manganese, and tungsten are concerned there will be no additions, even in the supplemental stockpile?

Mr. HUMPHREY. There may be additions, but only if they are sealed off, only if they in no way depress the American market, and only if they have a tendency to augment or improve the American market. I get that information from the responsible officials of the Department of Agriculture who are responsible for the barter program.

Mr. MANSFIELD. The Senator has also contacted the responsible officials in the Department of the Interior, has he not?

Mr. HUMPHREY. Yes; and they have testified.

Mr. MANSFIELD. Has the Senator contacted any persons in the industry?

Mr. HUMPHREY. I have only telegrams from industry, which I read yesterday. I have not confined my time to members of the industry.

Mr. President, I wish to conclude. Yesterday I heard it said that the barter program might disrupt our foreign policy. I submit that there is no evidence to lead to that conclusion. I checked with the German desk in the State Department with the assistant in charge of German economic affairs. He denies flatly that there has been any request from the German Federal Ministry of Agriculture to the State Department, as was indicated on the floor yesterday. All incoming and outgoing communications between the State Department and the German Ministry would have to go over this State Department desk and be cleared by it. There have been no outgoing communications from the State Department to Germany on this matter, either as of yesterday or today. The State Department informs me that if any such communications have been exchanged, it has been outside the State Department.

The office of the agricultural attaché at the German Embassy in Washington, Herr Schlange-Schoeningen, informed my office this morning that there have been no inquiries initiated or communicated to or from the Embassy either to the State Department or to the Agriculture Department on this issue. Surprise was expressed that information about yesterday's grain market in Berlin was

available for use yesterday in the Senate. Actually, the Berlin grain market is a limited and special situation, anyway, and the Hamburg market is the important one in Germany. If any communications took place between the German Federal Ministry of Agriculture in Bonn and the American Government, the German Embassy here does not yet know about it, and the only remaining possibility would seem to be direct communications between the German Ministry and the United States agriculture attaché in Bonn, and through him to the Agriculture Department. Yet as far as can be determined there is no record of such communication in the files of the Foreign Agricultural Service, to which the attaché reports.

I say this because I do not want to disrupt our foreign policy. I checked the matter this morning with the State Department, the Department of Agriculture, and the German Ambassador. I can say for the RECORD there is no information of record in the files of our Government that the German market on grains has been in any way upset because of what we are contemplating.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. AIKEN. Mr. President, I yield myself such time as I may need.

I think we had better take last things first. In reference to the State Department getting any communication from Germany respecting the amendment and the possible effect on grains, I have a copy of a communication to the State Department which is listed as unclassified, and which was received by the Department on the 18th of March, reading:

There is a rumor in the German grain trade that if German Government will certify that feed-grain imports are in addition to usual commercial imports there is a program in United States whereby feed grains can be purchased—

A note on this paper says the program referred to is the barter provision of the bill—

whereby feed grains can be purchased, from now through September 30, 1958, at 4 to 10 percent less than normal export price. If above possible, the trade is of opinion some quantities of barley and grain sorghum could be moved under replacement procedure.

Federal Ministry of Agriculture has had several calls and are asking us for confirmation of such a program and also if there is an official form upon which to certify. "In addition to usual commercial imports." What criteria used for determining "In addition to usual commercial imports"?

That is a cablegram from our Embassy in Bonn.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. I do not have too much time, but I yield.

Mr. HUMPHREY. I only wish to say that the cablegram may be from our Embassy, but to whom I do not know.

Mr. AIKEN. That is correct. The cablegram came from the Embassy in Bonn.

Mr. HUMPHREY. Within an hour before I came to the Senate today—or perhaps 2 hours—at slightly after 11 o'clock, I talked with the State Department,

and the State Department informed me that the German desk, over which all materials would have to move, denies flatly that there has been any request from the German Federal Ministry of Agriculture to the State Department regarding this matter.

Mr. AIKEN. I think it is very evident that the request was made of our Embassy in Bonn, rather than the German Embassy in Washington.

Mr. President, I should like to reply to one other point which has been made this morning, and that is the point with regard to lead, zinc, and strategic materials which might be bartered for under the proposed change in the law.

The lead and zinc which have been brought in up to this time have been put in either the strategic stockpile or the supplemental stockpile. Lead, zinc, and other minerals brought in if the bill shall be enacted will have to be held by the Commodity Credit Corporation itself, unless those in charge of the stockpiles will accept such minerals, which they probably would not do at the present time. Therefore, the cost and the expense would have to be borne by the Commodity Credit Corporation and be charged up to our farm programs.

Mr. President, although the perfecting amendment of the Senator from Minnesota to section 5, which has been approved this morning, improves the language somewhat, it does not remove the major objection to section 5 of the bill, which the amendment I have offered would strike out.

Section 5 of the bill would, first, direct the Secretary to barter up to \$500 million worth of agricultural commodities a year even if such transactions would not conserve the assets of CCC and the Federal Government, but would dissipate them.

Second, direct the Secretary to barter even though the so-called barter transactions would merely replace cash sales for dollars and would have a tendency to drive down the price which CCC would receive for its remaining sales for cash, and

Third, require the Federal Government to pay storage on unspecified materials to be imported if the imported materials have storage cost and deterioration risks lower than agricultural commodities owned by the CCC even though such materials could not be used in the foreseeable future.

In other words, the Commodity Credit Corporation might trade its assets for materials, strategic and otherwise, which would be imported into this country, but unless there were a ready disposal either to the stockpile or to others the CCC might have to carry the commodities for an indefinite period of time.

I do not want it to be understood that I am opposing barter, if through barter we can do business which is absolutely in addition to the amount of business we are doing for dollars. However, section 5 of the bill is still entirely too broad. It throws the gates wide open. It would make it possible to undercut our own foreign trade and reduce prices, as I have indicated, and also to disrupt the trade of other countries.

I do not believe Germany would object to the barter provisions. I think Germany might make a dollar through them, by buying for less than the world market price. But I believe that other countries such as Canada, Australia, Argentina, and possibly France would object to this method of price cutting.

The situation got so bad last fall that the Canadian top officials requested a conference with the top officials of the United States, and as a result of the conference the two countries entered into an agreement. We signed an understanding with the Canadian officials to the effect that we would stop cutting the market out from under them, with particular reference to wheat, barley, rye, and such commodities the prices of which they felt were being undercut through barter transactions.

Mention has been made of the possibility of bartering for platinum under the proposal. Certainly we can barter for platinum under the proposal. We can barter for platinum under the law which we now have. I understand that our Government is willing to barter for platinum, but the other folks do not want to trade us platinum that way. Platinum is in such demand throughout the world that it is not necessary for them to barter with us on platinum.

I would not want to depress world market prices or even prices for our own people at home. It seems incredible that the acquisition of large amounts of materials such as we would get in return for bartering on a large scale would not depress our markets here at home.

Section 5 is opposed not only by the Department of Agriculture, but also by the Department of State and by the Department of Commerce.

The present law is adequate to permit bartering for materials which we need, but it does not require bartering for materials which we already have in adequate supply, or which we could have in adequate supply. It certainly is no encouragement to our own mineral producers in the United States when we give authority to an agency of Government to swap surplus farm commodities for surplus minerals and materials from other countries. The effect would be to take surpluses off the hands of other countries, which would encourage greater production, thereby discouraging production of certain materials in the United States.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. PASTORE. Do I correctly understand the Senator to mean that countries which have strategic materials we need would prefer to sell them to us for hard cash, but the only attraction presented is that those countries will get wheat and other agricultural commodities below the world market price, which is the only inducement to sell to us the strategic materials?

Mr. AIKEN. The effect of section 5, which I am trying to have stricken from the bill, would be to require the Department to barter for those materials whether we needed the materials or not, and stockpile them perhaps for the next 30 or 40 years. The list of materials



which will be accepted for the supplemental stockpile and the strategic stockpile has been restricted to a very few at the present time. I think originally there were 58 materials which would be accepted, but most of them have been eliminated.

Mr. PASTORE. Is the attraction essentially one to get rid of surplus agricultural commodities, or is the attraction one to bring to this country materials we need?

Mr. AIKEN. Well, if it were restricted only to materials we needed, that is covered in the present law.

Mr. PASTORE. What is the purpose?

Mr. AIKEN. The proposal would require the Department to barter for things we do not need, provided the Department could make a trade of surplus farm commodities for them.

Mr. LAUSCHE. Mr. President, will the Senator yield so that I may ask a question?

Mr. AIKEN. I yield.

Mr. LAUSCHE. The present law authorizes the Commodity Credit Corporation to barter for strategic materials, does it not?

Mr. AIKEN. The Senator is correct.

Mr. LAUSCHE. By "strategic materials" we mean those which are in scarcity in our country, do we not?

Mr. AIKEN. We mean those materials which can be accepted either in the strategic stockpile or the supplemental stockpile.

Mr. LAUSCHE. The language which the Senator from Vermont seeks to strike is language which would expand the power of the Commodity Credit Corporation and direct it not only to barter for strategic materials, but to barter for other materials which we might need.

Mr. AIKEN. It directs the Secretary to barter whether we need them or not. It directs him to barter for materials of which the United States does not produce enough for its own needs. The criterion to be used would be whether we import such materials in some quantity at the present time. Any materials which are imported at the present time—and I would include lead, zinc, pulpwood, paper, and such things as that—could be bartered for.

Mr. LAUSCHE. Am I correct in understanding that, unless the language which the Senator from Vermont seeks to strike is stricken, the Commodity Credit Corporation will be obliged to barter, not only for strategic materials, but all other materials, provided it finds barter to be practicable?

Mr. AIKEN. It will be directed to barter for such materials if those materials are not produced in sufficient quantity in the United States. There are many commodities with respect to which we would like to encourage domestic production, which materials would come in this category merely because we are not now able to meet foreign competition in cost. This proposal would reduce the possibility of reopening some of our mines or expanding some of our present mining operations.

Mr. LAUSCHE. Is it true that under the present law these objects are achievable at the discretion of the Com-

modity Credit Corporation, through the advice which it receives from the various departmental heads; but that under the language which the Senator from Minnesota has offered, barter would become practically mandatory?

Mr. AIKEN. The Senator from Ohio has correctly explained the situation.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MANSFIELD. Following up the question raised by the distinguished Senator from Ohio, am I to understand that at the present time it is possible for the Secretary of Agriculture to barter surplus agricultural products for lead, zinc, manganese, and tungsten?

Mr. AIKEN. I do not think it would be possible unless they were needed for the supplementary or strategic stockpiles. According to my interpretation this proposal would direct the Secretary to barter whether they were needed or not. But if they could not be transferred to the stockpile, or sold to other agencies of the Government, they would have to be held by the Commodity Credit Corporation itself.

Mr. MANSFIELD. But under the proposed system it would be possible for the Secretary, in exchange for surplus agricultural products, to obtain those four minerals on a barter basis.

Mr. AIKEN. Yes.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. AIKEN. I yield myself 2 minutes on the bill.

Mr. SYMINGTON. Mr. President, will the distinguished Senator yield?

Mr. AIKEN. I yield.

Mr. SYMINGTON. Does the Senator say that under this language the Secretary of Agriculture would be forced to sign contracts which he might think were not in the best interests of the economy of the United States? As I understand, he is directed to look at any proposed arrangement, but he is not directed to close a deal.

Mr. AIKEN. The part of the present law which requires conserving the assets of the Commodity Credit Corporation and the Government would be stricken out by section 5, and the Secretary would not be required to conserve the assets of the Commodity Credit Corporation.

Mr. SYMINGTON. Under the amendment of the distinguished Senator from Minnesota, as I understand it, and based upon the hearings on this amendment, the Secretary would be directed to look at the possibilities of barter, but he would not be directed to make any contracts to barter which he thought were wrong. He would not be forced to enter into an arrangement which would be against the best interests of the United States.

Mr. AIKEN. The Secretary would be directed to barter up to \$500 million worth of agricultural commodities a year, even if such transactions would not conserve the assets of the Commodity Credit Corporation and the Federal Government, but would destroy them. The Secretary would be directed to bar-

ter, even though the so-called barter transactions would displace cash sales for dollars, and would have a tendency to drive down the prices which the Commodity Credit Corporation might receive for the remaining materials, in cash. That is the interpretation by the Department of Agriculture, and I think it is correct.

Mr. SYMINGTON. This interpretation by the Department of Agriculture does not surprise me too much, because there has never been any real effort made to enable the Department to execute practically what the Department says it would like to do, namely, find new markets. The language may be a little strong, but, based upon my business experience, in my opinion the Department's interpretation is completely wrong.

Mr. AIKEN. Barter was intended to develop markets in out-of-the-way places in the world, in addition to business which would otherwise be done. The international concerns engaged in bartering have developed business in such out-of-the-way places as London, Berlin, The Hague, Antwerp, and Paris. I presume they were very much surprised to find people living in those out-of-the-way places. [Laughter.]

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. AIKEN. I yield myself 2 minutes more.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. SYMINGTON. The platinum market is soft. We have as much platinum as we need in the stockpile, one of the chief reasons being the development of palladium, a comparable element.

It surprises me to learn that people who are not interested in moving the agricultural products of the country, however, would not rather have a bar of platinum which has no storage problem, than a good many tons of some agricultural product.

Mr. AIKEN. I think I would rather use my time to discuss the merits of the amendment, rather than the merits of the officials of the Department of Agriculture.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I asked for 3 minutes merely to set the record straight.

I have consulted with officials of the Department of Agriculture; and it is not true that this proposal is a directive which says, "You must barter, regardless of consequences."

The persons in charge of barter operations in the Department of Agriculture informed the Senate in the hearings that barter arrangements are made only after careful consultation with the Department of State, the Department of Commerce, the Department of the Interior, the General Services Administration, and the Office of Defense Mobilization.

Furthermore, barter arrangements are entered into only when there is a procurement directive, approved by an in-

teragency committee or from a department of Government which requests the Department of Agriculture to barter for a specific purpose.

Let me give an example. During the Korean war we needed wool blankets. They were in short supply in the United States. The ICA, in an emergency request, asked the Department of Agriculture to barter cotton for wool blankets. That is a specific example.

Moreover, any minerals or metals are covered by the supplemental stockpile and by the national stockpile. While the Commodity Credit Corporation, even now, has some metals in its possession, they are in process of being shifted into the stockpile when appropriations are made by the Congress for their absorption.

Those who have had any experience under this program flatly deny what has been said by those opposed to the amendment. This amendment does not demand that the Secretary of Agriculture barter willy-nilly. What it does provide is that, if it is in the national interest—and if we use the same procedures as were used before the barter program was closed, it will be in the national interest—the Secretary should barter.

The amendment merely provides that the Secretary shall take a look at the proposed barter arrangements, and determine whether the arrangement would be to the best interests of our country.

I have heard a great deal about international traders. One of the international traders which officials of the Department of Agriculture list as being a barter contractor, and one to which I point with pride, is Land O' Lakes Cooperative Creamery—a terrible octopus, an international trader.

Here is another one on the list. Mariner & Co., Inc., of Lawrence, Mass. Here is another one. The Kincaid Cotton Co., Gastonia, N. C. The International Minerals & Metal Corp., of New York. The Land O' Lakes Creameries, of Minneapolis, Minn. The Lentex Metal & Chemical Corp., of New York. H. Kempner, of Galveston, Tex. The list shows 125 companies. They are mostly large American corporations, who are in the exporting business. Every witness from this group before the committee testified in behalf of barter. Of course, barter is not the full answer, Mr. President, but it is an additional tool for expanded marketing operations.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Soon we will be asked to vote on a \$4 billion foreign aid program. Some of the aid will go to foreign countries in the way of machine tools. These tools may well be used in the manufacture of automobiles, which will be made in the foreign market, and which will then compete against our own automobile production. Our automobile industry will feel that competition. I do not say that is wrong, that we should extend assistance to our friends and allies, in the expressed interest of our own security.

What is wrong, I say, inasmuch as most of these countries need food very

badly, is that there seems to be a great desire on the part of this administration to establish policies which give away components of our wealth which produce further wealth; namely, dollars, machine tools, and so forth. At the same time, despite the fact we now have employment shortages, the administration apparently does not want to make any real effort to move to these countries the food that we have in such surplus, and which nearly all these countries need. Is there any logic to such a course?

Mr. HUMPHREY. No. All I can say, and I say it most respectfully, is that this is not an effort to dump, and the fact, as shown by the record, is that sometimes we will get a little better price in that way than we would in the open market.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 1 more minute to the Senator from Minnesota.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. It takes 12 to 14 pounds of manganese to make a ton of steel. Does the Senator see any reason why, since we have these agricultural surpluses, that the Secretary of Agriculture should not be told to find out whether he can get rid of some of these surpluses, to help our own economy; by bartering, if he can do so, instead of having either hard line materials given away, or agriculture products given away?

Mr. HUMPHREY. The Senator's point is well taken. Most responsible officials that I have discussed the matter with favor the barter program. For example, it has resulted in a saving of \$103 million in storage cost alone. I call that particularly to the attention of the Senate.

Mr. AIKEN. Mr. President, I yield 30 seconds to the Senator from Utah [Mr. WATKINS].

Mr. WATKINS. Mr. President, I have prepared a statement on the bill which I ask unanimous consent to have printed in the RECORD, together with several related matters.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENTS ELIMINATING SECTIONS 5 AND 6 OF S. 3420, A BILL TO EXTEND AND AMEND THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

The purpose of this amendment is to eliminate sections 5 and 6 of the bill before us. These sections of S. 3420, if enacted into law, would direct the Secretary of Agriculture, among other things, to barter up to \$500 million worth of surplus agricultural commodities per year, for materials of which the United States supposedly does not domestically produce its consumptive needs.

A short historical review of the barter program as conducted under the Agricultural Trade Development and Assistance Act of 1954 is in order at this point. Such a review will make it plain why I oppose amendment of section 303 of that act as provided for by section 5, and why I oppose amendment of section 206 of the Agricultural Act of 1956 as provided for by section 6 of this bill as well.

Section 303 of Public Law 480 authorizes the Commodity Credit Corporation to barter

surplus agricultural commodities for "strategic materials entailing less risk of loss through deterioration or substantially less storage charges," among other things, when there is opportunity to protect the funds and assets of the CCC by so doing. As the seventh annual report of the activities of the Joint Committee on Defense Production (January 16, 1958) indicates:

"To date the acquisition of strategic materials through CCC barter agreements has been limited to materials listed within the Office of Defense Mobilization procurement directives for both the strategic and supplemental stockpiles" (p. 59).

At the end of April 1957, the barter program was suspended so as to enable the Department of Agriculture to develop safeguards against the substitution of barter transactions for dollar sales without net gain in total export of agricultural surpluses. Another factor involved was the growing volume of complaints that minerals acquired as a result of the barter program were having an adverse effect upon domestic mining operations, especially lead and zinc.

Toward the end of May 1957, the barter program was resumed under revised policies which insured that a proposed barter transaction will mean a net increase in United States exports in order to insure against simply replacing dollar sales. Thus the remedial program does not provide as ready a market for foreign minerals as had been done in the past.

As we all know, the United States is dependent upon foreign sources for certain strategic materials. However, it is not dependent upon foreign sources for over one-half of all of the kinds of materials contained in the strategic and supplemental stockpiles. Not only that, but also several of the strategic materials for which surplus agricultural commodities have been bartered actually consist of minerals of which we have an abundance right here in the United States.

For example, over one-half of the value of the 24 supplemental stockpile materials delivered from July 1, 1954, through December 31, 1957, consists of fluorspar, lead, and zinc. These are minerals, the domestic prices of which have been depressed by excessive foreign imports, over the past few years. This factor, coupled with the economic recession, has resulted in excessive and prolonged unemployment in these mining industries.

I point these facts out, Mr. President, because in my opinion amendment of section 303 of Public Law 480 could well work to the further detriment of our domestic lead and zinc mining industry, including additional minerals such as copper and coal as well, which along with lead and zinc are depressed industries at the present time.

It is understandable that the Committee on Agriculture and Forestry should try to find and develop means and methods of expanding the demand for agricultural commodities. Especially is this true in light of the news recently released by the Department of Agriculture that exports of farm commodities during the first half of the current fiscal year were down 10 percent from the dollar volume of a year earlier.

But I submit that the Congress should not in its zeal to find additional outlets for agricultural commodities take steps which will transfer that industry's problem of "diverted acres" and resulting oversupply to the domestic mining industry. This I believe could well be the case if sections 5 and 6 are not eliminated from S. 3420.

I say this because section 5 removes the necessity of a finding by the Secretary of Agriculture that by bartering surplus commodities there is an opportunity to protect the funds and assets of the Commodity Credit Corporation. It would require him, in effect, to barter up to \$500 million annually of surpluses for any material—not



just strategic materials, which, in his judgment, are not produced domestically in large enough quantities to meet our requirements, whatever that term may mean. Enactment of section 6 of the bill then would permit the duty-free entry of such materials.

No criteria are contained in sections 5 and 6 which the Secretary of Agriculture could use to determine exactly what are the materials of which the United States does not domestically produce its requirements. I suppose since the bulk of United States lead and zinc consumption is coming from foreign imports, it could be said that we do not produce our own requirements. But what a farfetched position that would be to take, since our miners and mines are capable of supplying a major portion of our own lead and zinc requirements, if it were not for the fact that cheap foreign imports have been permitted to flood this country for several years now.

Yet, there would be no reason why the Secretary of Agriculture could not, if sections 5 and 6 are enacted into law, barter surpluses for lead and zinc. In fact, based upon the amount of lead and zinc in the supplemental stockpile, and the depressed world price, I suspect there might well be strong pressure generated to force him to do it. The same could be said for copper, coal, fluorspar, and other minerals as well.

As the Secretary of Agriculture put it so well in his letter of March 11, 1958, to the chairman of the Committee on Agriculture and Forestry in opposing enactment of sections 5 and 6 of this bill:

"There are powerful forces urging opening the throttle on a barter program. An analysis of the reasons therefore is in order.

"This country is in a position to buy for current consumption all the foreign produced materials the economy requires. Legislation exists for the procurement of all the materials deemed prudent to stockpile for future emergency defense needs. The rate and extent of such procurement is limited only by appropriation by the Congress. In spite of the zeal to substitute barter for normal exchange, the United States dollar can still be utilized to better advantage in world markets than our agricultural commodities. Then why do we have such strong pressures for a wide open barter program? The fact is that a surplus situation exists in the world for many materials. The producers of these materials in the foreign countries and importers of these materials into this country want a price support and surplus removal program for these materials. \* \* \*

"There are a few materials such as industrial diamonds of which there is no domestic production. Of the rest, the world production affects domestic producers by their competitive price in the United States market. The removal of and insulation from the market of those surpluses may provide a temporary price stabilization to domestic producers of such materials. Such was the result of rather extensive barter transactions involving lead and zinc in the past. An artificial outlet at profitable prices can only stimulate foreign production. When the Department of Agriculture realized the folly of serving as a dumping ground for foreign surplus lead and zinc with little resultant gains in the disposal of agricultural commodities we stopped the program for reappraisal. The domestic lead and zinc industry felt the full impact of the price-depressing effect of this stimulated foreign production. Such will be the inevitable result on other domestic producers of barter materials under a barter program which provides an outlet for surplus foreign materials and serves as a stimulant for further expansion of such surplus production."

In this connection, Mr. President, I should like to point out that the Combined Employment and Unemployment Release, Feb-

ruary 1958, issued on March 11, 1958, by the Departments of Commerce and Labor, indicates that between January and February 1958, the number of men on mining payrolls declined by 14,000. In February 1958, the percentage of the labor force in the mining industry who were unemployed stood at 11.5, an increase of nearly 2 percent over January 1958. In my own State of Utah, there has been a loss of 2,400 mining jobs in the last 6 months. In addition, 1,519 unemployed miners were claiming unemployment insurance during the week ended March 15, 1958. This latter figure compares with 464 during the comparable week in 1957.

I am attaching three short statements of recent date, which depict a desperate plight of the copper, coal, and lead and zinc industries to be printed at this point in my remarks.

I am not opposed to a barter program per se, but I am opposed to an "open the throttle" barter program, as the Secretary of Agriculture termed the kind of program which would be created by enactment of sections 5 and 6 of this bill. American miners and their families, as well as the mine owners of this country, should not be obligated to assume the burden of an unwise price-support program of past years, which has resulted in the production of surpluses greatly in excess of market outlets. Solving the problem of excess agricultural production belongs to agriculture; it is not the responsibility of the American mining industry, which has suffered enough injury through excessive imports permitted by our reciprocal trade agreements policy.

Before voting on this amendment, I think it desirable to enumerate the reasons why sections 5 and 6 should be eliminated from the bill. In his letter to the chairman of the Committee on Agriculture and Forestry, the Secretary of Agriculture summarized them as follows:

1. Sections 5 and 6 would direct the Secretary to barter up to \$500 million worth of agricultural commodities per year even if such transactions would not conserve the assets of the CCC and the Federal Government but would dissipate them.

2. These sections would direct the Secretary to barter even though the so-called barter transactions would merely replace cash sales for dollars, and would force a tendency to drive down the price which the CCC would receive for its remaining sales for cash.

3. They would require the Federal Government to pay storage on unspecified materials to be imported if the imported materials have storage costs and deterioration risks lower than agricultural commodities owned by CCC, even though such materials could not be used in the foreseeable future.

4. They would increase the interest costs of CCC and the Federal Government.

5. They would provide world price support for materials without permitting domestic mining interests to benefit directly.

6. Enactment of sections 5 and 6 would not to any measurable extent establish new agricultural export outlets or increase existing ones.

For these reasons I urge the adoption of this amendment which the Senator from Vermont [Mr. Aiken] proposed to S. 3420.

#### EXHIBIT 1

[From Pay Dirt, Phoenix, Ariz., of October 18, 1957]

#### LEAD-ZINC TARIFF PETITION IS FILED—EMERGENCY COMMITTEE SEEKS MAXIMUM PERMISSIBLE DUTY INCREASES

In its formal petition, the Emergency Lead-Zinc Committee stated in part:

"The President of the United States has recognized that a continuously productive lead and zinc mining industry is of funda-

mental importance to the national security, that the lead and zinc mining industry is in a distressed condition, and it is appropriate in the present circumstances to invoke the relief afforded by the escape clause.

"In May 1954, the Tariff Commission completed its prior investigation of the same subject and recommended the maximum increases permitted by existing law in the import rates on primary lead and zinc. Instead of implementing this recommendation, the President ordered a stockpiling program which has temporarily operated to remove some of the surplus production from the market. Now that the stockpiling program is tapering off, large surpluses of imported lead and zinc overhang the market and market prices have again receded to distress levels.

"Although industrial consumption of both lead and zinc in the United States has continued on a high, and rising, level, our mine production has receded considerably below wartime levels at the same time that imports have continued to increase both actually and relatively.

"In each year since the Commissioner's prior report, imports of both lead and zinc have materially exceeded our own mine production. So far in 1957, imports of lead are at an annual rate of 146 percent of our current mine production and imports of zinc are at a rate of 142 percent of current mine production in our own country.

"While the stockpiling program was in full swing, the returns to our miners were, in general, at viable, although not very profitable, levels. In recent months, prices have receded dangerously, to 14 cents per pound for lead and to 10 cents per pound for zinc. The price of lead is at the same level as existed at the time of the prior report of the Commission and the price of zinc is now lower.

"As imports have continued to flood the country, inventories have increased to burdensome levels.

"Costs of production have continued to increase. Consequently many mines, in all sections of the country, have been caught in the cost-price squeeze, and have been forced to close down, throwing thousands of miners out of work.

"There are at present at least 5,000 less miners producing lead and zinc in the United States than on January 1, 1957. For each miner thrown out of work, at least 1½ persons engaged in milling, smelting, refining, transportation, etc., are also thrown out of work so that the loss of 5,000 miners in employment means a loss of at least 12,500 employees engaged in the handling of primary lead and zinc.

"Imported lead and zinc metal are like and directly competitive with lead and zinc produced from ores mined in the United States, and imported lead and zinc ores are like and directly competitive with lead and zinc ores mined in this country. Likewise, imports of most of the lead and zinc manufactures are like and directly competitive with lead and zinc products made in the United States.

"The American miners acknowledge that the consumptive demands for lead and zinc in the United States are in excess of domestic production and that a continuation of substantial imports is necessary and desirable.

"They have no wish to penalize American consumers, to deny American industry access to adequate supplies, or to unreasonably raise prices so as to discourage consumption. The Committee will later propose a system of import quotas that will meet the above criteria and at the same time give a moderate degree of protection to our primary producers so as to restore and continue a healthy industry."

## EXHIBIT 2

[From News Letter of the Mining Association of Montana, Butte, Mont., of February 1958]

## PROVISIONS—COPPER BILL

## PURPOSE OF THE BILL

The purpose of the bill is to amend the existing copper import tax legislation so as to enable the copper-mining industry of the United States to survive. This is attempted by changing the present peril point of 24 cents per pound to 30 cents per pound and by imposing a 4-cent-per-pound import tax which shall not be in effect when the domestic market price is 30 cents per pound or more. The bill thus seeks to achieve needed protection for the domestic copper industry and at the same time keep to a minimum any interference with foreign trade. It would leave the domestic market wholly free to all copper producers when the price is above the peril point.

## BACKGROUND

The Internal Revenue Code has, since 1932, provided for an import tax on articles of imported copper—4 cents per pound on most items. That import tax, however, has been severely cut by Presidential proclamations under foreign trade agreements (GATT specifically); the 4-cent tax was cut to 2 cents in 1949, further cut to 1.8 cents in 1957, and is now scheduled to be cut to 1.7 cents on June 30, 1958. And, since 1951, by act of Congress, the tax has been suspended altogether, with the support of the domestic copper-producing industry. The suspension enactments in 1951, 1953, 1954, and 1955 each contained a proviso to the effect that the suspension would end if the domestic market of copper fell below 24 cents for a calendar month. The 1955 suspension, which is still in effect and contains such proviso, will terminate on June 30, 1958.

Since the 1955 suspension, far-reaching changes have occurred in the copper-producing industry. Substantial increases in foreign production, coupled with constantly increasing wage and other costs in the United States, have rendered precarious the position of the domestic producing industry. The domestic copper price has fallen from a high of 43 cents per pound in 1955 and 46 cents in 1956 to 27 cents per pound, and even lower for custom smelters, at present. The price in Europe has fallen even further, the London Metal Exchange price being now the equivalent of approximately 22 cents. The result has been shutdowns and important curtailments at practically all domestic copper mines, with substantial loss of employment and damage to the communities and States involved.

These changes and their consequences indicate the necessity both for a reestablishment of the import tax on copper at 4 cents per pound, and for a revision of the so-called peril point, i. e., the price below which the import tax becomes effective. This peril point should be set at a level which will encourage and maintain an active, healthy domestic copper-mining industry. Reestablishment of the import tax at 4 cents per pound will afford some real measure of protection when the price falls below that peril point.

## EXHIBIT 3

UNITED MINE WORKERS OF AMERICA,  
DISTRICT 22, WYOMING-UTAH,  
Price, Utah, March 3, 1958.

MR. ARTHUR V. WATKINS,  
Senate Building,  
Washington, D. C.

DEAR SENATOR WATKINS: This is a letter of appreciation by the undersigned in your efforts in behalf of the coal industry in the State of Utah of which I am enclosing the number of men who are at the present time unemployed in the coal industry. Also the

statistical data of the number of mines some of which have been closed due to the lack of market.

I certainly feel that this is very detrimental to the economy of the State of Utah and of the Nation as a whole.

This information may be very helpful to your office in behalf of the ailing industry at the present time.

Hoping to hear from you and if any additional information is needed please feel free to contact me.

Again thanking you for your interest and efforts to protect the coal industry in the West, I am,

Sincerely yours,

HARRY MANGUS,  
President.

Mines	Mine shut down	Men layed off	Days worked per week <sup>1</sup>
Adams Black Diamond Coal Co.	Mine shut down.	—	—
Alvey Coal Mine	do.	4	—
American Fuel Co.	do.	12	—
Carbon Fuel Co.	do.	—	1
Chappell Coal Co.	Mine shut down.	9	—
Columbia-Geneva Steel Division:			
Columbia Mine	do.	57	3
Geneva Mine	do.	—	3
Blue Flame Coal Co.	Mine shut down.	2	—
Book Cliffs Coal Co.	do.	—	4
Arthur L. Petty Browning Mine	do.	—	2
Coop Mining Co.	do.	—	4
Day Mutual Coal Co.	Mine shut down.	4	—
Helco Coal Co.	do.	4	—
Independent Coal & Coke Co.:			
Castle Gate Mine	do.	60	2 and 3
Clear Creek Mine	do.	36	2 and 3
Kenilworth Mine	do.	106	2 and 3
Kaiser Steel Corp.: Sunny-side Nos. 1, 2, and 3 Mines.	do.	800	—
Knight Ideal Coal Co.:			
Knight No. 1 Mine	do.	14	3
Knight No. 2 Mine	Mine shut down.	7	—
Koal Creek Coal Co.	do.	—	2
Larsen & Rigby	Mine shut down.	—	—
Leamaster Coal Co.	do.	—	2
Liberty Fuel Co.	do.	—	2
Lion Coal Corp.	do.	107	2
Premium Coal Co. (Soldier Canyon).	do.	3	3
Royal Coal Co.	do.	—	2 and 3
Shakespear Bros.	Mine shut down.	2	—
Smirl Alton Coal Mine	do.	4	—
Southern Utah Fuel Co.	do.	—	2
Spring Canyon Coal Co.	do.	—	2 and 3
Spring Creek Coal Co.	do.	—	2
Frank M. Stone	Mine shut down.	—	—
Sun Valley Coal Co.	do.	—	2
Trail Mountain Coal Mine No. 1.	Mine shut down.	4	—
Tucker Coal Co.	do.	—	2
Utah Fuel Chemical Co.	Mine shut down.	—	—
United States Fuel Co.	do.	187	2 and 3
Vulcan Fuel Co.	Mine shut down.	2	—
Wardle Coal Mine	do.	—	1
Webster Coal Mine	do.	6	—
Western Coal Mining Co.	do.	—	1
Wilberg Coal Co.	do.	—	2

<sup>1</sup> The amount of days working per week as up to Mar. 1, 1958.

MR. AIKEN. I understand the time on the amendment has expired.

MR. ELLENDER. Mr. President, I yield myself 1 minute.

MR. MANSFIELD. Mr. President, will the Senator yield?

MR. ELLENDER. I yield.

MR. MANSFIELD. I should like to ask a question of the distinguished chairman of the committee, because I am sorely torn on this question. I represent a State in which we have large wheat sur-

pluses and other agricultural surpluses, where we have mineral surpluses, and where the mining conditions are very bad. As a matter of fact, in the State of Montana, we are in a depression, so far as mining is concerned. I understand, from the explanation that has been given of the bill, that lead, zinc, tungsten, and manganese have been imported under the program, but that, on being imported, they have been placed in what is known as the standby stockpile.

As long as that was happening, the price of these products was fairly strong in this country. However, as soon as bartering in these minerals stopped, then the minerals which used to go into the stockpile came into the open market, and the price was depressed.

As the result, the lead, zinc, and tungsten mines are closed down. They are being flooded, the timbers are caving in, and the breasts are falling. Also, the result has been that a great many people have been put out of work.

What is the situation under the provisions now in the bill insofar as these metals are concerned?

MR. ELLENDER. Mr. President, the distinguished Senator from Minnesota has stated many times that, although the Secretary of Agriculture is directed to barter, he must still consult—

THE PRESIDING OFFICER. The time of the Senator has expired.

MR. ELLENDER. I yield myself 1 more minute.

It must be remembered that bartering does not affect domestic production with respect to which "the United States does not domestically produce its requirements and which entail risk of loss through deterioration or substantial storage charges."

MR. MANSFIELD. Then, as long as a surplus lasts in any 1 of those 4 metals, there can be no barter. Is that correct?

MR. ELLENDER. That is correct.

MR. MANSFIELD. There cannot be any bartering?

MR. ELLENDER. No; that is my understanding.

MR. AIKEN. Mr. President, I yield myself 2 minutes on the bill, and I should like to have the Senator from Louisiana point out in the bill any provision which prohibits such barter. My interpretation is that that is not only permitted, but directed.

MR. MANSFIELD. Mr. President—

MR. AIKEN. I have asked the Senator from Louisiana to point out the part of the bill which prohibits the Secretary of Agriculture bartering for lead, zinc, or any other minerals of which we are now importing substantial quantities.

MR. ELLENDER. Mr. President, I yield myself 1 minute. This matter has been discussed time and time again. I certainly hope the Secretary of Agriculture will use good judgment and not stockpile strategic materials that are on hand in abundance.

MR. AIKEN. They are being imported now.

MR. ELLENDER. That is true, but even though they are the subject of barter, they cannot be sold to the trade, unless an act of Congress to that effect



is passed. All protection necessary is given to the producers of those materials. The reason for the barter provision in the bill is that the Department of Agriculture has absolutely closed out barter.

Mr. HUMPHREY. I believe I can clarify this situation.

Mr. ELLENDER. I yield 1 minute to the Senator from Minnesota.

Mr. HUMPHREY. First of all, all metals and minerals that are bartered have to be put in the stockpile.

Mr. AIKEN. No.

Mr. HUMPHREY. Yes. I will tell the Senator why. It is because we do not barter unless a procurement directive has been issued.

Mr. AIKEN. It can be done under the provisions of the bill.

Mr. HUMPHREY. It cannot be done. I discussed that very point with representatives of the Department of Agriculture familiar with the details of the program.

Mr. AIKEN. That is the purpose of the bill.

Mr. HUMPHREY. No; that is not the purpose of the bill. The purpose is to tell the Secretary that he should barter. He has not bartered at all. He has refused to barter, at the expense of the American taxpayers.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. I yield 1 more minute.

Mr. HUMPHREY. I think it is only fair that we should completely understand how the Department of Agriculture operates on barter. While the language is more of a directive to the Secretary, it also requires that he follow some procedure. He did in the past, before barter was suspended. The same people would administer this new bill. The only barter that will take place will be on a procurement directive or on a specific request from individual agencies of the Government. The procurement directive is the result of action by the interagency committee of the Department of State, the Department of Agriculture, the Department of Commerce, the General Services Administration, and the Office of Defense Mobilization.

Unless the Office of Defense Mobilization, which is responsible for the policy, and the General Services Administration, which is responsible for the inventory of the national stockpile or the supplemental stockpile, say that the barter is in the national interest, the barter will not take place.

Mr. ANDERSON. What language is this? Where is the language that protects the lead and zinc industry?

Mr. HUMPHREY. It is already in the supplemental stockpile language. It is already in the national stockpile language. It is already a matter of working regulation in the Department, which has been working with it since the 79th Congress, and, indeed, since the 1956 supplemental stockpile bill. That is not being disturbed at all.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield one more minute.

Mr. MANSFIELD. Mr. President, I should like to have an answer to the same question I directed to the distinguished chairman of the committee. Under the language proposed, is the idea to provide that so long as there is a surplus of lead, zinc, manganese, and tungsten, and a depressed condition in those industries, no barter arrangements will be made?

Mr. HUMPHREY. If the interagency committee, composed of the Departments of State, Interior, Agriculture, and Office of Defense Mobilization feels that no more metals are needed, none will be obtained.

Mr. MANSFIELD. But we have surpluses.

Mr. HUMPHREY. Stockpile surpluses are locked up; they are isolated from the market.

Mr. MANSFIELD. No, no; the surplus is outside the stockpiles.

Mr. HUMPHREY. I am talking about any metals brought into the country under barter, if any are brought in. They will not be put in the American market; they will be put in the stockpile. There will be no metals flooded onto the American market.

I have discussed the matter with the officials, and I assure the Senator from Montana that the same regulations which prevailed previously, concerning the consultation by experts in the GSA and the Department of the Interior, will prevail under this provision.

This provision simply says to Ezra Taft Benson, "Instead of spending \$1 million a day for storage charges on wheat, and instead of permitting that wheat to deteriorate, try to make a barter deal for goods of which we are in short supply, for goods which will not deteriorate, for goods for which there will be no storage charges. If you can make such an arrangement, and if you can find an agency of the Government that says it needs the goods, or if they are needed for the defense program, then will you please go ahead and barter?" That is the intent of the provision.

Mr. MANSFIELD. That is fine; but we are not in short supply of lead, zinc, tungsten, and manganese. The chairman of the committee says they will not be bought. The Senator from Minnesota does not go quite that far, but almost that far.

Mr. HUMPHREY. I do not know whether they will be bartered; I cannot say. That is a matter to be decided by the Office of Defense Mobilization in the interest of protecting the security of the United States.

Mr. MANSFIELD. The Senator from Louisiana says that they will not be bought.

Mr. ELLENDER. Of course they will not be bartered; not under the conditions just stated.

Mr. President, I ask unanimous consent that there be a quorum call, the time for the quorum call to be charged to neither side.

Mr. JOHNSON of Texas. Are we ready to vote?

Mr. ELLENDER. Yes; all the time has been used.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a quorum call, and that as soon as a quorum has been obtained, the Senate proceed to vote on the Aiken amendment.

The PRESIDING OFFICER. Is there objection?

Mr. THYE. Mr. President, I ask unanimous consent that I may have a few minutes in which to make a statement connected with the introduction of a bill, before the quorum is called, the time for my statement to be charged to neither side. Is that agreeable?

Mr. JOHNSON of Texas. Yes.

#### SOUTH POLE DOG

Mr. THYE. Mr. President, we all know that laws, rules, and regulations are necessary to the orderly government and functioning of society. This is the very basis for the existence of government, for without it we would have anarchy.

Certain occasions arise, however, when the rigid enforcement of the duly adopted laws of society or government can work an unintended hardship, and in these cases we should act to remove the burden of the general rules. Such an instance has come to my attention, and I feel that it must be brought to the attention of my colleagues for corrective action.

An Associated Press article appeared in the Washington Evening Star last night stating that a lieutenant in the United States Navy who has spent the past several months at the South Pole is about to be mustered out of the Navy. While Lieutenant Tuck was based in the Antarctic, he raised and trained a sled dog which is now said to be Navy property, and must be offered for sale at a public auction next week. Lieutenant Tuck would like to retain possession of his pet, but is prevented from doing so by Navy regulations pertaining to the disposition of surplus property. Furthermore, the lieutenant is prevented by law—and that is the important factor—from submitting his own bid for purchase of the dog, because personnel of the Armed Forces may not bid on surplus defense property.

The Secretary of the Navy has informed me that no exception can be made in this case. It seems more fitting to me that this serviceman should be allowed to keep his pet than that it should be offered for sale to some dog-food manufacturer for advertising purposes. I would like to point out that this dog is the only one to have been born and raised in the Antarctic. The dog was not purchased by the Navy, and the man who raised and trained him should have the right to keep him.

Mr. President, I introduce for appropriate reference a bill which would direct the Secretary of the Navy to transfer all right, title, and interest in this dog to Lieutenant Tuck.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3529) to direct the Secretary of the Navy to transfer certain surplus property to Lt. Jack Tuck, intro-

duced by Mr. THYE, was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. THYE. Mr. President, I ask unanimous consent also that the article entitled "Navy Redtape Ties Up Husky Born at Pole," published in the Washington Evening Star of March 19, 1953, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**NAVY REDTAPE TIES UP HUSKY BORN AT POLE—SALE AS SURPLUS THREATENS TO SEPARATE SLED DOG FROM HIS SERVICE MASTER**

The Navy is taking bids on Bravo the dog, and the bidding could be more spirited than that for a major shipbuilding contract.

Bravo is the sled dog born in the Antarctic and reputedly the only dog ever to winter at the South Pole, Lt. (j. g.) Jack Tuck, one of the 17 Navy men and civilian scientists who lived at the American South Polar base last season, wants to keep his canine friend when Lieutenant Tuck leaves the Navy to go to college.

But the way the situation shaped up today, Lieutenant Tuck and Bravo won't be mustered out together. Bravo, it seems, is Navy property and under the law can't be given away, even though the Navy has declared him to be surplus property.

Bravo and Lieutenant Tuck are now at the United States Naval Construction Battalion Center, Davisville, R. I.

Bids on the sale of Bravo and four other part-wolf huskies used in the Antarctic exploration trips will be received at Davisville next Tuesday. Among those expressing interest is at least one manufacturer of dog food.

The bidding forms place the Government cost for each of the 5 dogs at \$233. All of the dogs except Bravo were purchased from Mrs. Milton Seeley of Wonalancet, N. H.

Bravo really didn't cost the Government anything; he was a by-product of canine social life in the Antarctic. Nevertheless, the specifications include him in the list of \$233 dogs and that is the lowest price the Navy wants in the bids.

Bravo—silver gray, alert and bigger than his relatives—has been featured in pictorial reports of the National Geographic magazine on the Antarctic expedition.

The bid specifications of the Navy include this notation on Bravo: "Caution—this dog is highly spirited and must be handled with extreme caution." Bravo's Navy friends say this is slander.

#### MILK PRICES

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter dated March 17, 1958, which I have received from the National Independent Dairies Association.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL INDEPENDENT  
DAIRIES ASSOCIATION,

Washington, D. C., March 17, 1958.

Hon. EDWARD J. THYE,

United States Senate,

Washington, D. C.

MY DEAR SENATOR THYE: I first want to thank you for the courteous treatment which we received during our appearance before the subcommittee of the Senate Small Business Committee investigating the food industry on March 3. Your profound interest in the problems of the small-dairy man is deeply appreciated, and it has been a pleasure for

me to inform many of your constituents of the interest which you have shown and are showing in their problems.

During my testimony you asked if we had any figures which would show that the large chains could lower their price of milk in one area and raise their price in other areas, thereby showing an overall profit.

As you know, the major dairy chain in the United States is the National Dairy Products Corp., which does business under the name Sealtest. The United States Department of Agriculture fluid milk and cream reports for the months of June, July, August, and September 1957 report that the following markets in which Sealtest central division operates plants had the following changes in prices:

Memphis, Tenn.: Increased quarts 1 cent and half-gallons 2 cents in July 1957, and another 1 cent per quart and 2 cents per half-gallon in August 1957.

St. Louis, Mo.: Increased 1 cent per quart, 2 cents per half gallon in July—another 1 cent per quart and 2 cents per half-gallon in September 1957.

Milwaukee, Wis.: Increased 1 cent per quart and 1 cent per half-gallon in August 1957.

Nashville, Tenn.: Increased 1 cent per quart and 2 cents per half-gallon in August 1957.

Louisville, Ky.: Decreased 2 cents per quart, 4 cents per half-gallon on wholesale, and 1 cent per quart, 2 cents per half-gallon home delivery, on August 19, 1957.

As you can see from these various changes in the central division prices, they are able to lower the price in any given market while more than regaining this loss by raising their price in any or all other cities they serve.

We trust that the above is the information which you were seeking.

With all good wishes, I am,

Sincerely yours,

D. C. DANIEL.

#### DOMESTIC OIL INDUSTRY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may proceed for 2 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Texas is recognized for 2 minutes.

Mr. JOHNSON of Texas. Mr. President, I have received a letter from the President of the United States which is of deep interest to broad sections of our country.

On March 6 I wrote to the President calling attention to the very serious situation that confronts the domestic oil industry and vital parts of our economy which depend upon it. The industry is staggering under the impact of continued heavy imports of petroleum and petroleum products. In my letter, I suggested that two steps be taken.

First, a mandatory reduction by 20 percent of oil imports under the authority granted to the President by Congress under the Reciprocal Trade Agreements Act.

Second, a system under which imports could be cut back from month to month on a basis comparable to cutbacks in the domestic industry in those States where prorationing is in effect.

The President's reply stated that mandatory controls have been under "serious discussion by the Cabinet committee." The President said that this country "may be compelled to adopt some such solution, although there are some con-

stitutional and legal questions that may prevent."

The President then went on to say:

However, I do deeply believe that universal acceptance and practice by the industry of voluntary quotas, adjusted to the present production situation with such flexibility as to meet future contingencies, would avoid many difficulties and would be the best approach to this vexing problem—for the industry itself, as well as our economy as a whole.

Plans are now being discussed looking toward making these adjustments, and making them fully effective.

Mr. President, I hope the President's prompt response to my letter indicates there will soon be favorable action on this very serious problem. The present trend cannot continue long without a vital domestic industry suffering crippling blows.

I have been in continuous contact with the responsible officials who are handling the oil program. I have been urging that they take steps and take them quickly to bring some relief to the industry.

I have expressed the hope that our agencies in their purchases will recognize the difficulties of the industry.

I have been urging that steps be taken to make the quota system effective.

In Texas alone our producers have had to close down hundreds of oil rigs. The search for new petroleum reserves has slowed down drastically. Many employees of the oil industry have been laid off or are working part time.

I have conferred with leaders of management and labor in the industry. They are agreed that action must be taken quickly before the industry is swamped in a sea of imports.

The impact has been reflected in unemployment figures; a depressed economy in the communities that center around the industry; and in the deteriorating financial position of a number of our States.

The need for action—prompt and effective action—grows more urgent every day. I hope that the President's statement is an indication that such action will not be long delayed.

I ask unanimous consent that there be printed in the RECORD as part of my remarks the text of the letter I have received from President Eisenhower.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 15, 1958.

The Honorable LYNDON B. JOHNSON,

United States Senate,

Washington, D. C.

DEAR LYNDON: I have your letter of March 6th calling attention to the situation confronting the domestic petroleum industry.

That excessive imports have a serious effect on national security has been recognized. Steps were taken by me to bring these imports into line on a voluntary basis. With the exception of a few recalcitrants, the established importers who were given quotas have cooperated willingly with the voluntary program. The quotas under the voluntary program were distributed, however, when the domestic demand was considerably higher than it is today.

The invocation of mandatory controls has been under serious discussion by the Cabinet Committee. We may be compelled to adopt some such solution, although there are some



constitutional and legal questions that may prevent. However, I do deeply believe that universal acceptance and practice by the industry of voluntary quotas, adjusted to the present production situation with such flexibility as to meet future contingencies, would avoid many difficulties and would be the best approach to this vexing problem—for the industry itself, as well as our economy as a whole.

Plans are now being discussed looking toward making these adjustments, and making them fully effective.

I have asked the Secretary of Commerce to advise you on the details of the Cabinet Committee's discussions and to keep you posted on the progress being made.

With warm regard.

Sincerely,

#### EXTENSION OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

The Senate resumed the consideration of the bill (S. 3420) to extend and amend the Agricultural Trade Development and Assistance Act of 1954.

Mr. JOHNSON of Texas. Mr. President, I renew my request that there be a quorum call, the time for the quorum call to be charged to neither side; and that upon the obtaining of a quorum, the Senate proceed to vote.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Mundt
Allott	Gore	Murray
Anderson	Green	Neuberger
Barrett	Hayden	O'Mahoney
Beall	Hickenlooper	Pastore
Bible	Hill	Payne
Bricker	Hoblitell	Potter
Bridges	Holland	Proxmire
Bush	Hruska	Purtell
Byrd	Humphrey	Revercomb
Capehart	Jenner	Robertson
Carlson	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Case, N. J.	Kerr	Schoeppel
Case, S. Dak.	Knowland	Scott
Church	Kuchel	Smathers
Clark	Langer	Smith, Maine
Cooper	Lausche	Smith, N. J.
Cotton	Long	Sparkman
Curtis	Magnuson	Stennis
Dirksen	Malone	Symington
Douglas	Mansfield	Thurmond
Dworshak	Martin, Iowa	Thye
Eastland	Martin, Pa.	Watkins
Ellender	McClellan	Williams
Ervin	McNamara	Yarborough
Frear	Monroney	Young
Fulbright	Morton	

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. JACKSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT] is absent because of death in his family.

The Senator from Maryland [Mr. BUTLER] and the Senator from Vermont [Mr. FLANDERS] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senators from New York [Mr. IVES and Mr. JAVITS] are detained on official business.

The PRESIDING OFFICER (Mr. MORTON in the chair). A quorum is present.

The question is on agreeing to the amendment of the Senator from Vermont [Mr. AIKEN], to strike out section 5, as amended by the Humphrey amendment.

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. JACKSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Georgia [Mr. TALMADGE] would each vote "nay."

On this vote the Senator from Tennessee [Mr. KEFAUVER] has a pair with the Senator from Maryland [Mr. BUTLER]. If present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "nay" and the Senator from Maryland [Mr. BUTLER] would vote "yea."

Also, on this vote the Senator from Oregon [Mr. MORSE] has a pair with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from Oregon [Mr. MORSE] would vote "nay" and the Senator from Utah [Mr. BENNETT] would vote "yea."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT] is absent because of a death in his family.

The Senator from Maryland [Mr. BUTLER] and the Senator from Vermont [Mr. FLANDERS] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senators from New York [Mr. IVES and Mr. JAVITS] are detained on official business.

On this vote the Senator from Utah [Mr. BENNETT] is paired with the Senator from Oregon [Mr. MORSE]. If present and voting, the Senator from Utah would vote "yea" and the Senator from Oregon would vote "nay."

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Tennessee would vote "nay."

Also, on this vote the Senator from Vermont [Mr. FLANDERS] is paired with the Senator from New York [Mr. JAVITS]. If present and voting, the Senator from Vermont would vote "yea" and the Senator from New York would vote "nay."

The result was announced—yeas 44, nays 39, as follows:

#### YEAS—44

Aiken	Cotton	Martin, Pa.
Allott	Curtis	Morton
Anderson	Dirksen	Mundt
Barrett	Dworshak	Payne
Beall	Eastland	Potter
Bible	Goldwater	Purtell
Bricker	Hickenlooper	Revercomb
Bridges	Hoblitell	Saltonstall
Bush	Hruska	Schoeppel
Capehart	Jenner	Smith, Maine
Carlson	Knowland	Smith, N. J.
Case, N. J.	Kuchel	Thye
Case, S. Dak.	Lausche	Watkins
Church	Malone	Williams
Cooper	Martin, Iowa	

#### NAYS—39

Byrd	Humphrey	O'Mahoney
Carroll	Johnson, Tex.	Pastore
Clark	Johnston, S. C.	Proxmire
Douglas	Kerr	Robertson
Ellender	Langer	Russell
Ervin	Long	Scott
Frear	Magnuson	Smathers
Fulbright	Mansfield	Sparkman
Gore	McClellan	Stennis
Green	McNamara	Symington
Hayden	Monroney	Thurmond
Hill	Murray	Yarborough
Holland	Neuberger	Young

#### NOT VOTING—13

Bennett	Ives	Morse
Butler	Jackson	Talmadge
Chavez	Javits	Wiley
Flanders	Kefauver	
Hennings	Kennedy	

So Mr. AIKEN's amendment was agreed to.

Mr. AIKEN. Mr. President, I move that the vote by which the amendment was agreed be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Vermont.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open for further amendment.

Mr. CASE of South Dakota. Mr. President, I desire to call up my amendment.

Mr. MONRONEY. Mr. President, will the Senator yield so that I may call up a privileged matter?

Mr. CASE of South Dakota. I yield for that purpose.

#### REINVESTMENT BY AIR CARRIERS OF GAINS DERIVED FROM THE SALE OR OTHER DISPOSITION OF FLIGHT EQUIPMENT—CONFERENCE REPORT

Mr. MONRONEY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That section 406 (b) of the Civil Aeronautics Act of 1938, as amended, is hereby amended by adding at the end thereof the following new paragraph:

"In determining the need of an air carrier for compensation for the transportation of mail, and such carrier's 'other revenue' for the purpose of this section, the Board shall not take into account—

"(1) gains derived from the sale or other disposition of flight equipment if (A) the carrier notifies the Board in writing that it has invested or intends to reinvest the gains (less applicable expenses and taxes) derived from such sale or other disposition in flight equipment, and (B) submits evidence in the manner prescribed by the Board that an amount equal to such gains (less applicable expenses and taxes) has been expended for purchase of flight equipment or has been deposited in a special reequipment fund, or

"(2) losses sustained from the sale or other disposition of flight equipment. Any amounts so deposited in a reequipment fund as above provided shall be used solely for investment in flight equipment either through payments on account of the purchase price or construction of flight equipment or in retirement of debt contracted for the purchase or construction of flight equipment, and unless so reinvested within such reasonable time as the Board may prescribe, the carrier shall not have the benefit of this paragraph. Amounts so deposited in the reequipment fund shall not be included as part of the carrier's used and useful investment for purposes of section 406 until expended as provided above: *Provided*, That the flight equipment in which said gains may be invested shall not include equipment delivered to the carrier prior to April 6, 1956."

"Sec. 2. The amendment made by this Act to such section 406 (b) shall be effective as to all capital gains or losses realized on and after April 6, 1956, with respect to the sale or other disposition of flight equipment whether or not the Board shall have entered a final order taking account thereof in determining all other revenue of the air carrier."

And the Senate agree to the same.

MIKE MONRONEY,  
G. A. SMATHERS,  
ALAN BIBLE,  
ANDREW F. SCHOEPEL,  
FREDERICK PAYNE,

*Managers on the Part of the Senate.*

OREN HARRIS,  
KENNETH A. ROBERTS,  
WALTER ROGERS,  
SAMUEL N. FRIEDEL,  
CHAS. A. WOLVERTON,  
JOS. P. O'HARA,  
ROBERT HALE,

*Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

CIV—307

There being no objection, the Senate proceeded to consider the report.

Mr. MONRONEY. Mr. President, this represents a unanimous agreement of the conferees of the Senate and of the House on the capital gains waiver for feeder airlines and other airlines on subsidy. The bill is identical with the bill passed by the Senate except with a rearrangement to make more definitely certain that the Williams amendment is expressed in clear and certain terms.

There is no objection from either the minority or majority side.

Mr. President, I move that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

#### APPOINTMENT TO JOINT ECONOMIC COMMITTEE

The PRESIDING OFFICER (Mr. MORTON in the chair). The Chair has been requested to announce the appointment by the Vice President of the Senator from West Virginia [Mr. HOBLITZELL] as a member of the Joint Economic Committee, vice the Senator from Arizona [Mr. GOLDWATER], resigned.

#### NOTICE OF HEARING ON S. 3502, TO AMEND THE FEDERAL AIRPORT ACT IN ORDER TO EXTEND THE TIME FOR MAKING GRANTS UNDER THE PROVISIONS OF SUCH ACT, AND FOR OTHER PURPOSES—AND ADDITIONAL COSPONSOR

Mr. MONRONEY. Mr. President, I desire to announce at this time that the Subcommittee on Aviation of the Committee on Interstate and Foreign Commerce will begin hearings April 14 on S. 3502, a bill relating to the Federal Airport Act, which will extend the present act 4 additional years. It is necessary to take such action during the present session, so that plans may be made by the local communities to vote the bonds necessary, to design their airports, and to have their programs ready after 1959.

I should like to say that the bill also carries provision for \$75 million additional funds for matching local funds to speed up construction of airports, to get ready for the jet air age, and also to help relieve the unemployment which exists in so many scattered areas of the country. This will be an effective way to combat the recession.

I invite any Senators who have knowledge of witnesses who would like to be heard to notify the Committee on Interstate and Foreign Commerce, so that such witnesses may testify.

Mr. SMATHERS rose.

Mr. MONRONEY. I yield to my distinguished colleague, the Senator from Florida.

The PRESIDING OFFICER. The Chair wishes to announce that the matter under consideration is not a privileged matter. The time has been

allocated under a unanimous-consent agreement.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Oklahoma may be permitted not to exceed 3 minutes, and that the time not be charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. MONRONEY. I yield to my distinguished colleague, the Senator from Florida [Mr. SMATHERS], one of the original coauthors, along with myself, of the Federal Aid to Airports Act which has so stimulated airport construction, on a 50-50 Federal-State basis.

Mr. SMATHERS. I thank the able Senator from Oklahoma.

Mr. President, I ask unanimous consent that I may join with the able Senator from Oklahoma and the distinguished Senator from Washington [Mr. MAGNUSON] in sponsorship of the new Federal Airport Act, as a cosponsor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

#### EXTENSION OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954.

The Senate resumed the consideration of the bill (S. 3420) to extend and amend the Agricultural Trade Development and Assistance Act of 1954.

Mr. CASE of South Dakota. Mr. President, I call up my amendment identified as "3-17-58-C," and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section as follows:

SEC. . (a) Notwithstanding any other provision of law, all foreign currencies received in payment for commodities sold under the authority of title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be placed in a special fund in the Treasury, which shall be designated as the Foreign Currencies Fund. Upon receipt of any such payment, the dollar equivalent thereof shall be paid by the Treasury to the Commodity Credit Corporation in reimbursement for the agricultural commodities sold under such title. Payment to the Commodity Credit Corporation under this section shall be in lieu of reimbursement by the agencies using foreign currencies as provided in section 105 of such act, and payments required by such section to be made by such agencies to the Commodity Credit Corporation shall be made instead to the Treasury.

(b) All disbursements authorized to be made of foreign currencies received for commodities sold under the provisions of such title shall hereafter be made only in such amounts as may be specified in appropriation acts.

(c) The Secretary of the Treasury shall report to the Congress not later than January 31 of each year all payments to and disbursements from the Foreign Currencies Fund in the 12 months ending December 31 prior thereto.



Mr. ELLENDER. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Under the terms of the unanimous-consent agreement, the Senator from South Dakota will be allotted 15 minutes and the majority leader will be allotted 15 minutes.

How much time does the Senator from South Dakota yield?

Mr. CASE of South Dakota. Mr. President, I yield myself 7 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 7 minutes.

Mr. CASE of South Dakota. Mr. President, there are two reasons why the amendment should be adopted. The first reason is that Congress should control the spending of money. Last year over a billion dollars was spent by the executive agencies in the form of foreign currencies without review of such appropriations by the Congress.

The second reason for the adoption of the amendment is that the programs for which the money is spent should bear the burden of carrying the appropriations, and the amounts should not be charged as the cost of a farm support program, which is charged to the farmers.

I have in my hand a copy of the President's report to the Congress dated February 4, 1958. On page 8 of that report the President deals with the administration of foreign currencies. Ahead of a table he states:

The responsibility for administering the expenditure of foreign currencies is assigned by Executive Order to various agencies, as follows:

There follows on page 9 a list of the executive agencies to whom authority has been given by an Executive order to spend the vast amount of money developed by the sale of such surplus commodities.

On page 12 of the President's report to the Congress there is a list of the so-called planned uses of foreign currency under agreements signed during the 6 months from July to December 1957. They total over \$205 million. At the conclusion of the President's report, there are some tables which show the planned uses of foreign currencies for the full fiscal year 1957, by countries and by objects. They total \$1,046 million.

It is clear from the tables, Mr. President, that \$1¼ billion is being spent in a period of 18 months by executive agencies of the Government without direct appropriation by the Congress. These amounts are the dollar equivalent values. They are spent by such agencies as the Department of Agriculture, the Office of Defense Mobilization, the ICA, the Export-Import Bank, the Department of State, the United States Information Agency—and, under one category, "any agency" may spend them. That is all done under an Executive order, without any specific review or appropriation by the Congress.

The amendment which I propose provides that foreign currencies received from the sale of agricultural commodities should, first of all, be credited to

the advances which have been made by the Commodity Credit Corporation, so that the accounts, so to speak, with respect to the surplus commodities would be discharged. The farmer would no longer be charged with the moneys involved here, after the payment had been received.

The second point is that when the money had been received, and the Commodity Credit Corporation accounts had been squared up, the money would rest in a foreign currency fund within the Treasury, from which it would be disbursed in specified amounts by appropriation bills to be acted upon by the Congress.

The program of selling surplus commodities for foreign currencies is one which I have supported from the beginning. In fact, as I stated yesterday, I suggested the idea of selling surplus commodities for foreign currencies. However, the manner in which the money has been handled has been a matter of "easy come, easy go." The makings of a first-class scandal exists in this method of handling foreign currency.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. LAUSCHE. Referring to page 2 of the amendment, under subparagraph (b), there is this language:

All disbursements authorized to be made of foreign currencies received for commodities sold under the provisions of such title shall hereafter be made only in such amounts as may be specified in appropriation acts.

Does that mean that no expenditures could be made except those which were specified in appropriation acts?

Mr. CASE of South Dakota. I think it does. The Constitution provides that no money shall be disbursed from the Treasury of the United States except in pursuance of an appropriate act of Congress.

Mr. LAUSCHE. This language, then, would cover all types of expenditures made of foreign currency?

Mr. CASE of South Dakota. It would cover all types of expenditures from the foreign currency fund established by this amendment. Of course, there are some foreign currencies which are received as counterpart funds under the foreign aid program. Personally, I think those funds should also be handled in this way, but I thought, for the purpose of establishing the principle, if we could do it in connection with the foreign currencies received from the sale of surplus commodities, when the Mutual Security Act is considered a similar amendment might be offered at that time to deal with those funds.

Mr. LAUSCHE. Are many of the foreign currencies which we receive under title I used by representatives of the legislative branch in their trips around the world?

Mr. CASE of South Dakota. I presume they might be. I do not know. I do understand that foreign currencies received by the United States have been used by committees and committee members in their trips abroad. I think

probably most of such foreign currencies are those which were created by the so-called counterpart payments by nations receiving foreign aid. In any event, I think such funds should receive the same treatment. They should be placed in the Treasury and appropriated in particular amounts for purposes to which Congress gives specific approval.

Mr. LAUSCHE. I am in accord with the statement made by the distinguished Senator. The answer, then, would be that it might be that such currencies are used by members of the legislative branch in their trips.

Mr. CASE of South Dakota. They might or might not be such currencies. I see no reason why such currencies could not be used for committee trips. However, I did not see in any part of the President's report the report of an Executive order which assigned any of them to the legislative branch. I refer to the particular currencies which come from the sale of surplus commodities. However, it is true that foreign currencies are used. I believe that those which have been used for committees have been those derived from counterpart funds under the Mutual Security Act.

Mr. LAUSCHE. With respect to the \$1 billion equivalent of foreign currency which has been used, is a part of such funds included in the investments which are being made and financed on a loan basis?

Mr. CASE of South Dakota. Some of them are financed on a loan basis. In fact, I think the largest single item is a loan to Brazil. I am not saying that that is not a good loan; but I believe that funds which the United States acquires, to the extent of more than \$1 billion for the fiscal year ending June 30, 1957, should be the subject of specific authorization and appropriation.

Mr. LAUSCHE. When I interrupted, the Senator was saying something about a scandalous situation.

Mr. CASE of South Dakota. I said that there exist in the method of handling the funds the makings of a scandal. When the whole story is told as to the liberality with which these funds are disbursed, I feel that items will be disclosed of which the Congress and the country will not be proud.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

I fear that if the pending amendment is adopted, it will kill the bill. Under the bill which we are now discussing, there would be no change in the method by which these transactions have been handled in the past. That procedure is generally as follows: Agreements are made between us and purchasing countries. It is not a question of selling so many bushels of wheat for so much money. Agreements must be entered into between the United States and the purchasing countries. In such agreements, a determination is made as to how the proceeds derived from the sale of agricultural commodities involved are to be used.

The law provides several ways in which that money can be spent. These are:

First, to help develop new markets for United States agricultural commodities on a mutually beneficial basis.

If an agreement is entered into between the United States and Japan, let us say, our Government and Japan must determine how much of the sale price of the wheat will be used to help develop new markets for the United States.

Second, the moneys may be used to purchase or contract to purchase strategic and critical materials within the applicable terms of the Strategic and Critical Materials Act. That is another way in which the proceeds obtained from the sale of these surplus commodities, may be used.

Third, they may be used to procure military equipment, materials, facilities, and services for the common defense. The purposes for which the proceeds will be used must be determined while the agreement to sell the commodities is being negotiated.

Now, if we provide that the Congress must appropriate funds from the proceeds of any of these sales, another condition is imposed upon the sales agreement. Congress might, or might not, appropriate funds for the agreed purposes of the agreement. I doubt seriously if many countries would contract to purchase surplus commodities under Public Law 480 if they were compelled to subject these agreements to a further review by Congress, of course, it would naturally follow that fewer surplus commodities would be disposed.

As pointed out day before yesterday when the bill was before us, we have programed through February 1, 1958, \$2,531,000,000 worth of commodities under Public Law 480. Of that huge sum, \$43.2 million will be used for agricultural market development.

For the supplemental stockpile, \$2 million has been programed. Common defense, \$290.5 million. Purchase of goods from other countries, \$42.9 million. Grants for economic aid through ICA, \$61.5 million. Loans to private enterprise, which is provided for in the law, \$44.7 million. Payment of United States obligations, \$656.6 million. Loans to foreign governments, \$1,349,000,000.

I wish to point out that many of these sales would not have been made except for the fact that in the agreements we designate the uses of the proceeds of the sales to the countries. Therefore under the amendment proposed by my good friend from South Dakota we could not enter into any of these agreements and comply with them. Not all countries would be willing to purchase the commodities unless they knew in advance where and how the funds would be used and whether they would be used in accord with the agreements and in accord with the provisions of the law to which I have just referred.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield myself 2 more minutes.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. Is the Senator saying that we could not make the sales unless the country gets the assurance in advance that the money will be given back to it, and that an agreement is made to that effect?

Mr. ELLENDER. The Senator is partly correct.

Mr. CASE of South Dakota. Is that the way it works?

Mr. ELLENDER. Generally speaking the Senator is right.

Mr. CASE of South Dakota. That is a pretty weak sale.

Mr. ELLENDER. It may be a pretty weak sale, but that is the way it has been operating; that is the way the program has been administered ever since its inception. I have frequently complained about the proportion of funds loaned back to purchasing countries for economic development, but the Department of Agriculture takes the position that very few sales will be consummated unless the present procedure is followed.

Mr. CASE of South Dakota. It is a poorly disguised giveaway.

Mr. ELLENDER. It is not very well disguised at times, but the Department of Agriculture, believe it or not, has quite a task on its hands to dispose of some of these goods, and the countries that purchase the goods want to know in advance how their currencies will be used. If the matter is tied up as the Senator from South Dakota suggests, and the proceeds of a sale are put into a Treasury common fund, as the Senator wishes to have done, and Congress is directed thereafter to appropriate the money, I am sure that that will run contrary to the agreements that will be made between the purchasers of the surplus commodities and our Government.

Now, I have said many times that the foreign aid planners should not be allowed to "double dip" so to speak; I do not think they should have carte blanche under Public Law 480 and the mutual security program too. However, we must dispose of our farm surpluses. Therefore, I have on several occasions sought to reduce the mutual security program to the extent countries allocated foreign aid have received benefits under Public Law 480. I think that approach is reasonable and proper. I do not want to do anything which will hamper the disposal of surpluses under Public Law 480. That is why I am compelled to oppose the Senator's amendment.

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. CASE of South Dakota. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from South Dakota has 7 minutes remaining.

Mr. CASE of South Dakota. I yield myself 2 minutes. No one has been a more diligent student of the programs under which we spread money around the world than has the distinguished Senator from Louisiana. I regret that he is put in the position of having to defend what is done under the law, because no Congressional review is provided or afforded as to the expenditure

of the foreign currencies under the present law.

The Senator from Louisiana has contended, and I think quite properly, that we ought to very carefully study the expenditure of funds under the foreign aid program. Now he is put in the position, unfortunately—and I am sure it is not of his own choosing—of saying that we cannot sell farm commodities unless we tell the countries involved, and tell them in advance, that we will give the money back to them on their own terms. That is not the way the funds ought to be disbursed. These funds are assets of the United States. Although they are converted into foreign currencies, they are of value, and represent over \$2½ billion, under the figures submitted by the Senator from Louisiana.

My amendment would not kill the program. We could provide a ceiling for all the purposes involved.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASE of South Dakota. I yield myself 1 additional minute. We could provide a ceiling for each of the categories and say to the Department of Agriculture and to the State Department, "You negotiate within these ceiling limitations, but give Congress the right to review the expenditures of these foreign currencies."

That is the intent and purpose of my amendment.

Mr. President, I ask for the yeas and nays on my amendment.

Mr. JENNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Time will have to be yielded for the purpose of suggesting the absence of a quorum.

Mr. ELLENDER. First, Mr. President, I yield 3 minutes to the senior Senator from Indiana.

Mr. CAPEHART. Mr. President, I am sure no one wishes to quarrel with the theory being advanced by the Senator from South Dakota. Unfortunately, we must make up our minds whether we are interested in disposing of the surplus food which the Commodity Credit Corporation owns, or whether we wish to have what the Senator advocates. I say that because the countries in which we sell the surplus commodities in exchange for their currencies are not going to make a contract with us unless they know what we will do with their currencies. In fact, they could not do it even if they wanted to. Therefore, if we tie the Department's hands in disposing of the surplus foods, they will not be disposed of.

I should like to do it the way the Senator from South Dakota suggests, but it will not work that way. Therefore, I say Senators must make up their minds whether they wish to get rid of the surplus commodities or wish not to get rid of them. If we tie the hands of the Department of Agriculture's Commodity Credit Corporation in this respect, we will not get rid of them, although it sounds like a reasonable solution. However, we will not get rid of the surplus commodities in that way.

I went into this subject very carefully this morning, at a hearing of the Committee on Banking and Currency, with



a witness who had all the figures as to what has happened to the currencies under this program, and we went into the whole program. That is why I am so familiar with the operation of it. Even if a country were in favor of our designating what we would do with its currency, the country's financial situation would be such that it could not make that kind of arrangement, because it would throw that country completely out of financial balance. The countries are forced to do it in the way it has been done.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Kentucky.

Mr. MORTON. Mr. President, I do not want the impression to be left that there is not a degree of Congressional control over the local funds which are generated under the Public Law 480 program. The administration follows a pattern which Congress has written into the law. It requires that certain things be done, within administrative discretion, with these funds. Guidelines are set in the law. They were pointed out by the able chairman of the Committee on Agriculture and Forestry.

I agree thoroughly with what the Senator from South Dakota is trying to do and with what he is trying to accomplish. I agree with the Senator from Ohio that we should have some control over the counterpart funds that are generated and which are used by Congressional committees and Members of Congress.

However, Public Law 480 works in this way: Our people go to a foreign government and negotiate for an agreement which will develop something that will not only remove the surplus commodities that we have on hand, but will provide that the funds that are generated through the sale of the commodities will be used to the best interests of both countries, and will serve our national security or the best interests of future agricultural exports, or, as in the pending bill, provide educational exchange benefits, and so forth.

No negotiator can go to a country and negotiate for the sale of agricultural surpluses on the basis of this contingency: "Yes, this is the way we will do it, but I have to go back and get an appropriation bill, which will have to go through the House committee and be passed by the House of Representatives, and then go to the Senate and be referred to a Senate committee, and then go through the Senate, and then into conference; and, subject to what is developed a year hence or 2 years hence in the appropriation procedure which we have under our constitutional system, I will sell you this wheat."

If that were to happen, the weevils would get the wheat. It is impracticable to work out the program in that way. Neither do I wish the impression to be left that the local funds are given to the country which receives the merchandise.

Loans are made. But some of the currencies have great value and a great degree of convertibility. The currency

can be used to build airports at our foreign bases.

So far as correcting those two impressions is concerned, I agree with the objectives of the Senator from South Dakota. I think there should be a tightening up of the Congressional review of the uses of the funds, but we cannot do it, as the Senator from Louisiana so ably pointed out, through the normal procedures which have been set up in the United States.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that there be a quorum call, the time for the quorum call to be charged to neither side.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. JOHNSON of Texas. Mr. President, may we have the yeas and nays?

The yeas and nays were ordered.

Mr. CASE of South Dakota. Mr. President, I yield myself 2 minutes. I hope all Senators will find time to read the report of the President, so as to help them to get the full import of what the President said:

The responsibility of administering the expenditure of foreign currencies is assigned by executive order to various agencies, as follows.

Mr. President, that responsibility carries with it the spending of \$2.5 billion of foreign currencies, according to the statement of the totals that have been involved and the figures presented by the chairman of the committee.

In no other field of government do we, by Executive order, turn over to executive agencies the expenditure of \$2.5 billion and the additional billion or more which will be created by the proposed legislation being considered. That is one reason for adopting the amendment.

The other reason is that when these funds are placed in the Treasury in a special fund to be known as a local currencies fund, the Commodity Credit Corporation then will be paid off, so far as the farmer is concerned; and no longer will the farm program be charged with carrying on a number of loan and expenditure programs which are not really being reviewed in detail by anyone. At least, no one in Congress has been reviewing them in detail.

Those are the reasons why the amendment should be agreed to.

Mr. ELLENDER. Mr. President, as my good friend from South Dakota stated a while ago, in view of my continued opposition to foreign aid it may at first seem peculiar that I should defend a method which Congress itself has established for, in effect, extending a kind of foreign aid. I have explained my reasons for opposing the pending amendment, in this regard. I am certain that

the distinguished Senator from South Dakota voted for the Surplus Disposal Act as it now is. He voted for the various provisions which make funds available for education, the common defense, for the payment of the expenses of the State Department, and to build airfields abroad.

I am quite certain that if the sales of the surpluses were not made under the conditions imposed by the act, very few sales would be made.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. Was this amendment considered by the committee?

Mr. ELLENDER. It was considered some time ago, but the committee rejected it.

Mr. FULBRIGHT. The fact is that if it were adopted, it is very unlikely that any deals would be made under it.

Mr. ELLENDER. The Senator is correct.

Mr. FULBRIGHT. The only reason why there is any willingness to make agreements to pay in foreign currency is so that the countries can take possession of the proceeds, in accordance with the agreements which are made.

Mr. ELLENDER. If the funds were required to be appropriated, it is possible that many of the agreements between our country and the other countries to purchase surplus farm commodities would be upset.

Mr. FULBRIGHT. And no further agreement could be made.

Mr. ELLENDER. Exactly.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Are not the surplus commodities in the hands of the Commodity Credit Corporation assets of the United States?

Mr. ELLENDER. Yes.

Mr. HOLLAND. Is there any more reason for trying to control definitely and by specifics the expenditure of the foreign funds we get in return for them, than there would be for trying to determine in advance how many bushels of wheat or how many bushels of corn or how many bales of cotton or how many units of any other commodity should be used under this program with each of the specific nations with which we deal? Is it not just as necessary to allow discretion in this field as it was to give discretion to the Department of Agriculture to work out mutually acceptable agreements with such friendly nations, in regard to certain volumes of this huge mass of surplus agricultural commodities which are assets of the United States?

Mr. ELLENDER. The Senator from Florida is correct.

Mr. President, as I have just pointed out, and as the distinguished Senator from Arkansas [Mr. FULBRIGHT] has also pointed out, very few sales would be made if the pending amendment were enacted into law, because these countries desire to know in advance how the funds will be used after they get into our possession.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield again to me?

The PRESIDING OFFICER. The time available to the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute on the bill.

Mr. ELLENDER. Mr. President, now I yield again to the Senator from Florida.

Mr. HOLLAND. I thank the Senator from Louisiana.

Then is it not true that the Congress has done in the one case what it did in the other, namely, laid down general guidelines and then authorized the agency to proceed thereunder?

Mr. ELLENDER. That is correct.

Mr. CASE of South Dakota. Mr. President, if there would be no chance to proceed with the program unless the other countries knew in advance on what terms and conditions the money would be used, that would mean that we could proceed only with their permission.

At this time, Mr. President, I yield to the Senator from Indiana [Mr. JENNER] the remainder of the time under my control.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. JENNER. Mr. President, as has just been stated, this arrangement would not be an exchange at all. Instead, the so-called put and take would result in our doing the putting and their doing the taking.

Mr. President, I am a little wearied by all the talk about what the United States has to do for these countries. As a matter of fact, Secretary Benson, himself, has said the law should be extended for only 1 year at a time.

Certainly, American agriculture would not be helped by means of this proposal, if it were put into effect, because every time the surplus is reduced, the parity price is encouraged to rise, and in that way a new surplus is developed.

This program is really destroying the trade of the United States with the countries friendly to it.

As a matter of fact, the talk of "trade follows aid" is silly, for the truth is that foreign aid has not helped American trade anywhere on earth.

United States trade with the rest of the world at large can be divided roughly into four equal areas, in terms of the volume of trade: Canada, Latin America, Western Europe, and the rest of the world.

By this means, we would injure tremendously our friend and good neighbor, Canada. There is no question about that, because wheat is Canada's greatest export.

Do Senators realize that our trade with Canada is worth all the trade we have with 10 Latin American countries? Yet we give no aid to Canada, and we give very little aid to South America.

Similarly, our trade with Canada is worth as much as all the trade we have with 20 of the countries of Western Europe or the entire amount of trade we have with Asia.

Mr. President, legislation of this sort will destroy our natural trading area.

The PRESIDING OFFICER. All time available on the pending amendment has expired.

The question is on agreeing to the amendment of the Senator from South Dakota [Mr. CASE].

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

Mr. JOHNSON of Texas. Mr. President, at this time I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. The pending question is on agreeing to the amendment which has been submitted by the Senator from South Dakota [Mr. CASE], is it not?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. And the yeas and nays have been ordered on this question, have they not?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the amendment which has been submitted by the Senator from South Dakota [Mr. CASE]. All time available on the amendment under the unanimous-consent agreement has expired.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay".

On this vote, the Senator from Oregon is paired with the Senator from Georgia [Mr. TALMADGE]. If present and voting, the Senator from Oregon would vote "nay" and the Senator from Georgia would vote "yea."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT] is absent because of death in his family.

The Senator from Maryland [Mr. BUTLER] and the Senator from Vermont [Mr. FLANDERS] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senators from New York [Mr. IVES and Mr. JAVITS] are detained on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER] the Senator from Vermont [Mr. FLANDERS] and the Senator from New York [Mr. JAVITS] would each vote "nay."

The result was announced—yeas 25, nays 58, as follows:

YEAS—25		
Barrett	Goldwater	O'Mahoney
Bible	Hoblitzzell	Potter
Bridges	Jenner	Revercomb
Carlson	Knowland	Russell
Case, S. Dak.	Langer	Saltontail
Cotton	Long	Schoepfel
Curtis	Malone	Williams
Dworshak	Martin, Pa.	
Frear	Mundt	
NAYS—58		
Alken	Green	Murray
Allott	Hayden	Neuberger
Anderson	Hickenlooper	Pastore
Beall	Hill	Payne
Bricker	Holland	Proxmire
Bush	Hruska	Purtell
Byrd	Humphrey	Robertson
Capehart	Johnson, Tex.	Smathers
Carroll	Johnston, S. C.	Smith, Maine
Case, N. J.	Kefauver	Smith, N. J.
Church	Kerr	Sparkman
Clark	Kuchel	Stennis
Cooper	Lausche	Symington
Dirksen	Magnuson	Thurmond
Douglas	Mansfield	Thye
Eastland	Martin, Iowa	Watkins
Ellender	McClellan	Yarborough
Ervin	McNamara	Young
Fulbright	Monroney	
Gore	Morton	

NOT VOTING—13		
Bennett	Ives	Scott
Butler	Jackson	Talmadge
Chavez	Javits	Wiley
Flanders	Kennedy	
Hennings	Morse	

So the amendment of Mr. CASE of South Dakota was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MARTIN of Iowa. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, following line 2, it is proposed to insert a new section as follows:

SECTION 5. Section 206 (a) of the Agricultural Act of 1956 is amended by inserting before the period at the end thereof a semicolon and the following: "but no strategic or critical material shall be acquired by the Commodity Credit Corporation as a result of such barter or exchange except for such national stockpile, for such supplemental stockpile, for foreign economic or military aid or assistance programs, or for offshore construction programs."

Mr. LANGER. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Iowa is recognized. The Senator has 15 minutes. How much time does the Senator yield himself?

Mr. MARTIN of Iowa. Mr. President, I yield myself 5 minutes.

Mr. MANSFIELD. Mr. President, may we have order?



The PRESIDING OFFICER. Let there be order in the Chamber. Senators will take their seats.

The Senator from Iowa is recognized. Mr. MARTIN of Iowa. Mr. President, the amendment I have offered has for its purpose bringing the Agricultural Act of 1956 into line with the act of 1954 on the matter of the purposes for which strategic and critical materials are acquired. I have taken the provisions out of the act of 1954 and written them into the amendment, to apply them to the act of 1956.

So far as I know, there is no objection from those to whom I have talked.

Mr. ELLENDER. Mr. President, there is no objection to the amendment. It is simply a restatement of the law as passed in 1954.

Mr. MANSFIELD. Mr. President, will the Senator from Iowa yield?

Mr. MARTIN of Iowa. I yield.

Mr. MANSFIELD. I desire to commend the Senator from Iowa, who has a great record in both the House of Representatives and the Senate as the father of the stockpile program in the postwar period.

What the amendment really seeks to do is to nail down what the distinguished chairman of the Committee on Agriculture and Forestry has already told the Senate, and that is to make certain that lead, zinc, manganese, tungsten and other metals brought into the country under this legislation will not come into competition in the open market with minerals which are in surplus at the present time. All the amendment provides is a protection for the minerals which are in surplus and the mines and mills which are located in depressed areas.

Mr. MARTIN of Iowa. The Senator is correct.

Mr. MANSFIELD. I think the Senator is doing a service for the country.

Mr. MARTIN of Iowa. The purpose of the amendment is to enable the mining and agricultural industries to go along hand in hand.

Mr. ELLENDER. Mr. President, I am ready to yield back my time.

The PRESIDING OFFICER. Does the Senator from Iowa yield back his time?

Mr. MARTIN of Iowa. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the Senator from Iowa.

The amendment was agreed to.

Mr. JENNER. Mr. President, I call up my amendment 3-19-58-D to S. 3420 and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. At the end of bill it is proposed to insert the following:

Section 107 of Public Law 480 is hereby amended by adding the following: "or (3) any nation which has indicated directly or indirectly that it will support the Soviet Union, the Communist government in China, or any other Communist government, in event of hostilities between such government and the United States."

The PRESIDING OFFICER. The Senator from Indiana is recognized for 15 minutes. How much time does the Senator yield himself?

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JENNER. I yield a half minute to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, I have an amendment at the desk. The chairman and the ranking minority member, as well as several other members of the committee, have agreed to the amendment. It is a clarifying amendment. I do not believe there will be any debate on it. I ask that the amendment be stated.

The PRESIDING OFFICER. Does the Senator from South Carolina ask unanimous consent that the amendment be considered prior to the amendment which is the pending question?

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the amendment I have proposed be considered at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. May we have a brief statement as to what the amendment clarifies?

Mr. JOHNSTON of South Carolina. Mr. President, I ask that the amendment be stated. I think the amendment speaks for itself.

The PRESIDING OFFICER. Before asking the clerk to state the amendment, the Chair will say the time will not be charged to the time of the Senator from Indiana [Mr. JENNER].

Mr. JENNER. I thank the Chair.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 5, line 3, it is proposed to insert after the comma the words "and products manufactured from upland or long-staple cotton shall be made available for sale pursuant to the provision of title I of the act as long as cotton is in surplus supply."

On page 5, line 5, strike out the word "its" and insert in lieu thereof the word "their."

Mr. JOHNSTON of South Carolina. Senators will note, on page 5, line 3, where the language is proposed to be inserted, that it will do nothing but carry out the present law which is on the statute books. Public Law 480 at the present time reads as follows:

As used in this act, "surplus agricultural commodity" shall mean any agricultural commodity or product thereof class, kind, type, or other specification thereof.

What I am offering is nothing but a clarifying amendment, which permits what we are doing to be clearly seen.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Indiana [Mr. JENNER] is recognized. The Senator from Indiana has 15 minutes. How much time does the Senator yield?

Mr. JENNER. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JENNER. Mr. President, I regret to have to even suggest an amendment such as this, because when I went to good legal authorities and told them what I had in mind, they said, "You do not mean to tell us, Senator JENNER, that under Public Law 480 your Government is shipping grain and fiber to Communist Poland and Yugoslavia." And I said, "Yes, they are."

In the first 7 months of the fiscal year 1958 one-third of the wheat and flour that was shipped out of this country under Public Law 480 was shipped to Poland and Yugoslavia. In the same period of time, the first 7 months of fiscal year 1958, three-fourths of the cotton shipped under this law was shipped to Poland and Yugoslavia.

We have heard a great deal of talk about recession and depression, and unemployed men. I do not believe the Senate wants to go on record today as dipping down into the pockets of the taxpayers of the country to subsidize this sale—it is called a sale, but it is a gift—to Poland and Yugoslavia, with the result that the housewife in America must pay more for food when her husband is unemployed than the Communists in Poland or Yugoslavia have to pay. I do not believe any sensible group of men would do such a thing.

Why is this amendment necessary? When I mentioned the subject to the great legal authority to whom I have referred, he said, "Have you read section 304 of the present law?" It reads as follows:

The President shall exercise the authority contained herein (1) to assist friendly nations to be independent of trade with the U. S. S. R. or nations dominated or controlled by the U. S. S. R., for food, raw materials and markets, and (2) to assure that agricultural commodities sold or transferred hereunder do not result in increased availability of those, or like commodities, to unfriendly nations.

I ask Senators, as this great legal authority asked me: How in the world can our Government ship to Poland and Yugoslavia under the present law? All my amendment would do would be to try to tighten up the law, so that those in the executive department of the Government would know that the Senate means what it says and says what it means.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. JENNER. I yield.

Mr. BRIDGES. I compliment the distinguished Senator from Indiana. He is a patriot in every sense of the word, and he knows whereof he speaks.

For the life of me I cannot understand how anyone can interpret the language to which the Senator refers in the manner described. Of course it means what it says. The question is,

Why should we be building up Communist governments so that they can further entrench themselves in power and still further oppress the citizens of those countries? The do-gooders and the soft-headed individuals in this country who are promoting that idea will some day have to answer for it, and answer sharply.

Mr. JENNER. The great international thinkers refer to me as an isolationist, as an ignoramus, as narrowminded, and so forth. I do not mind that. But here is a law which our officials will not enforce. Therefore we must tighten the language.

I have read section 304. Listen to section 107, which my amendment would amend:

Sec. 107. As used in this act, "friendly nation" means any country other than (1) the U. S. S. R. or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

Is anyone so naive as to believe that the Communists do not control Poland, if not Yugoslavia?

It is a shame to talk about "friendly nations." We cannot even get a friendly word from those people. Only recently Tito criticized the Government of the United States in connection with the summit proposal, saying that Russia was exactly right, and that the United States Government was doing nothing but shilly-shallying.

What are we trying to do by such legislation as this? We are not helping the American farmer. We are not helping American industry. We are not helping the country. We are wrecking it. I want Senators to act with their eyes wide open.

Senators should know, if they do not, that one-fourth of the export trade of our country goes to one country; namely, Canada. She has only 17 million people. We do not give Canada any deals or aid such as this.

The next great bulk of our trade goes to Latin America and South America. There are only 170 million people there. How much aid and how many gifts have we given to Latin America and South America? Very little.

What we are trying to do is to destroy our natural trade outlets. How do Senators suppose our greatest customer, who takes one-fourth of our exports, is going to live if we take away from her the main crop which sustains her economy by dumping our wheat on the world market and destroying the market for Canadian wheat? Are we going to subsidize Canada after we have destroyed her markets? Are we willing to trade Canada and South America and Latin America for the countries into which we have poured billions of dollars, and the billion and a half people in the rest of the world?

We talk about trade, not aid. This is becoming an international blackmail game. It is called put and take. However, under this silly law we put and the other nations take. Then we have an agreement, as the distinguished Senator from Louisiana explained, whereby they put back their soft currencies, and we get nothing for them.

The Senator from South Dakota [Mr. CASE] offered an amendment to try to limit the program so that it could be reviewed each year. The bill would extend the law for the rest of fiscal year 1958, fiscal year 1959, and fiscal year 1960. There is no one within the sound of my voice who knows what condition this country will be in 2½ fiscal years from now. It may be that we shall have to take the debt ceiling off. Perhaps there will be wild inflation. Perhaps we shall be bankrupt.

Yet, it is said, "If we do not live up to these commitments, other countries will not like it." I do not know how crazy a group of men can become.

All my amendment does is to say to those in charge of the program, "If you are to use the taxpayers' money to destroy natural trade outlets in Canada and South America, if you propose to subsidize Poland and Yugoslavia, so that the housewife in Poland or Yugoslavia can buy food cheaper than can the American housewife, whose husband is unemployed, we propose to prevent it."

We all seem to be concerned about unemployment. I hope this amendment will tighten the law. It should not even be necessary to offer it, because section 304 of the present law should amply explain to the bureaucrats downtown what we want to do. I hope they can read this language and understand it.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. JENNER. I yield.

Mr. BRIDGES. In applying certain principles or standards we should bear in mind the fact that Poland has voted against United States interests in the United Nations to a greater extent than has Russia. That is a very interesting commentary on whether or not Poland is communistic. It will be very interesting to see how the Congress performs in this connection. I should like to see a record vote.

Mr. JENNER. There will be a record vote.

Mr. BRIDGES. Our action may come back and hit us in the face.

Mr. JENNER. I think our distinguished minority leader [Mr. KNOWLAND] brought out the fact that Poland increased her defense expenditures last year in direct proportion to the money she received from America.

Are we against communism, or are we not? We are willing to spend \$40 billion a year, supposedly to fight communism; and yet by this very law, with the commitment in perpetuity of \$3½ billion, we are aiding, abetting, and fattening communism, so that Poland and Yugoslavia can relieve the drain on their economic system in regard to food and fiber, in order that they may increase their defense expenditures. Do Senators suppose that that is for our benefit?

Mr. President, that is all I have to say. I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I cannot but express surprise at the attitude taken by some of my good friends across the aisle.

This question was discussed on many occasions in the Senate. In section 107

we defined what "friendly nation" means. It means—

Any country other than (1) the U. S. S. R. or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

I am sure that many Senators will remember that the Secretary of Agriculture proposed that we amend the law so that we could trade some of our agricultural products with countries behind the Iron Curtain. The law, as contained in section 107 of the act, so provided.

Under section 304 it is provided:

The President shall exercise the authority contained herein—

Which I have just read—

(1) to assist friendly nations to be independent of trade with the U. S. S. R. or nations dominated or controlled by the U. S. S. R. for food, raw materials, and markets, and (2) to assure that agricultural commodities sold or transferred hereunder do not result in increased availability of those or like commodities to unfriendly nations.

That language was placed in the act last year in order to give the President of the United States the authority and right to sell products or dispose of products to countries which could, it is believed, be broken out of the Soviet orbit. Why was it done? It was done because information came to us that such countries could be won over.

For example, I have just returned from Poland. I visited the country for over a week. I went all over the country. There is no question but that the Government of Poland is communistic. There is no doubt about it. However, I venture to say that the people there are against communism.

The second provision I have just read was adopted by the Senate and it is now the law. It gives the President the authority to determine the extent to which he can go in the sale of the commodities in the hope of winning over countries that may be now attached to Russia but which may be won over from Russia.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. AIKEN. Would the Senator from Louisiana interpret the amendment as meaning that if any country now within the Communist orbit should attempt to break away from a Communist group, it could never expect any help from America?

Mr. ELLENDER. That is the way I interpret it.

Mr. AIKEN. Would it not be an iron-clad guaranty to Russian that we would never help any of her satellites achieve freedom?

Mr. ELLENDER. The Senator is correct. I thought the subject matter had been discussed thoroughly on the Senate floor when we adopted the proposal designed to give the President authority, through the Department of Agriculture and Department of State, to attempt, through these transactions, to wean the people of the so-called satellite countries away from the control of the Soviet



Union. The amendment we adopted is very plain. It says:

The President shall exercise the authority contained herein (1) to assist friendly nations to be independent of trade with the U. S. S. R.

That is exactly what we are trying to do now. I am of the opinion that the agreement we entered into with Poland will have that effect in the long run. It is true that Poland's government is communistic. There is no doubt about it. However let us not lose sight of the fact that most of the people are overwhelmingly anti-Communist; we must remember that in Poland over 90 percent of the tillable land is still in the hands of individuals.

Mr. AIKEN. Did not the Senator notice that, according to articles in the newspapers the other day, Poland is giving a substantial portion of state-owned land to the people?

Mr. ELLENDER. That is because we are making progress in our effort to wean Poland and other Iron Curtain countries away from Russia.

Mr. AIKEN. That is a direct result of the assistance which the United States gives Poland. Is that not correct?

Mr. ELLENDER. There is no doubt about it.

Mr. AIKEN. Can we afford to serve notice on the people of Poland that we are condemning them forever to remain under Communist domination, and that no matter how much they desire liberty, they cannot expect any help from the United States?

Mr. ELLENDER. I am very much surprised and disappointed in the lack of confidence which some of the Members of the Senate on the other side of the aisle seem to show in the leader of their own party and a State Department whose policymakers are members of the same political party as the Chief Executive.

Mr. JENNER and Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield? If so, to whom does he yield?

Mr. ELLENDER. I yield first to the Senator from Minnesota.

Mr. HUMPHREY. I wish to say it is a pleasure to again be on the same side of an issue with my good friend, the Senator from Vermont. I believe he has put his finger on the question, namely, that by adopting an amendment which is interpreted as this one is, we would be serving notice, first, on the Russians, that they may do just as they want to do and that we will not interfere in the satellite nations; secondly, we would serve notice upon the people in the satellite nations who have had the courage to struggle away from some of the iron grip upon them, that they will get no help from the United States.

In the instance of Poland we should face the fact that this is a calculated risk. If my friends on the other side of the aisle want sure bets, then they are in the wrong party, first of all, and, in the second place, they are on the wrong side of the issue.

However, it seems to me that the cardinal of the Catholic Church in Po-

land believes that it is fit and proper that the United States make some effort to help the people of Poland throw off from their back the terrible yoke of Communist tyranny.

This involves food for hungry people. This involves food to break up collective farms. This is food to assist Poland to have at least a little living space.

Finally, I conclude by saying that I am getting a little weary, as a member of the Democratic Party, of continuously having to stand here in the Senate and take the heat for defending the administration in some of the more worthy aspects of its foreign policy. I know that the amendment can be interpreted that a vote against it is a vote for communism. Well, in that case, let me say that I am joining the side of the Pope and the cardinal of Poland. If Senators on the other side of the aisle want to stand up to the people of Poland and tell them that they will not give them assistance, let them take it up with the great spiritual leaders who have appealed for this assistance. Let them take it up with the great patriots who are appealing for this assistance. I commend the President and the Secretary of State and the Secretary of Agriculture in this instance.

Mr. BRIDGES. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BRIDGES. I have watched the distinguished Senator from Minnesota on many occasions. I have just heard him say that he is wearing himself out defending the President.

Mr. HUMPHREY. No; I did not say that.

Mr. BRIDGES. I have never in my experience of listening to the Senator on many occasions heard the Senator strain himself in defending the President or anyone associated with him. I am glad to know that he has done it this time. I merely wish to say that if it were a question of helping the people of Poland I would be glad to do so. However, I am opposed to helping the Communist Government of Poland entrench itself more and more and grind the people down.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 1 minute to the Senator from Minnesota.

Mr. HUMPHREY. I wish to say to my good friend from New Hampshire that when the President and his Secretary of State have advanced proposals such as that for the peaceful use of atomic energy, the mutual-security program, and some of the other foreign-aid proposals, I have supported them. I regret that the leadership of the opposition party has not in all instances been able to do so.

I regret that in this instance, when the considered judgment of the statesmen of the Free World, not merely those of America, but also of Great Britain, France, Italy, the Netherlands, and Denmark—our NATO Allies—is that the proposal relating to Poland is sound, the distinguished Senator from New Hampshire sets himself up as a specialist of one to say that we will have nothing to do with Poland.

I do not wish to make this a matter of the Senator's personal judgment against mine. I simply say that if the Senator from New Hampshire has a better way to help the people of Poland secure the food which they desperately need, I wish he would suggest it.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 1 minute to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, this is a serious problem, the one brought up by this amendment. My remarks on it have nothing to do with any partisanship.

When I was on the other side of Government, there was always the problem as to whether or not to give assistance to countries which either were neutral or seemed to lean toward the Kremlin. I was always honestly worried when such assistance was given, although almost invariably for it. Sometimes it worked out wrong. However, I feel certain that the people who are now operating the Government are honorable, and, in the last analysis, they have the responsibility for making administrative decisions.

I do not see how, if the President of the United States believes sincerely—and I am certain he would not advocate this particular assistance if he did not believe in it sincerely—that I, as a Member of the Senate, could at this time vote against his request to give the aid which he now justifies on the ground it is in the interest of the security of the United States.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 2 minutes to the Senator from New Jersey.

Mr. CASE of New Jersey. Mr. President, I rise with some diffidence, because I know that many Senators, by reason of their committee work, are far more familiar with this subject than I am.

I certainly do not want to leave the impression that there is any lack of support on this side of the aisle for the program which the President and the Secretary of Agriculture are advocating in this matter. As the Senator from Missouri has said, these are not easy matters to decide.

Mr. JENNER. The Secretary of Agriculture is not supporting the bill for more than 1 year.

Mr. CASE of New Jersey. The Secretary of Agriculture states that the administration supports this measure. I support it, as I am sure the greater majority of Senators on both sides of the aisle do.

This is not an easy question to decide. Every time we aid countries behind the Iron Curtain there is some danger that we may, in a way, be strengthening the hold of the Communists upon those countries. Still, as the Senator from Vermont has, in his very simple but eloquent way pointed out, there is also the necessity of making it possible for those countries and their people to have some hope that eventually they may be able to loosen themselves and come out from under.

I, for one, shall support the proposal to give the President of the United States a chance to use his discretion. Only he can use it, because only he knows the details and the facts in any particular situation to offer this kind of help which, in my judgment, is urgently needed.

Mr. ELLENDER. Mr. President, I have 1 minute left. I yield it to the Senator from Connecticut.

Mr. BUSH. Mr. President, it seems to me that support of the bill and opposition to the amendment are entirely in accord with the principles of the Republican platform as adopted in 1956. I say this specifically in answer to my friend from Minnesota. I believe sincerely that the self-determination of peoples is a cardinal plank in the foreign policy of the United States, and it should remain there. I take it that the administration of this act is in accordance with that policy.

I do not believe, with all respect to the patriotism and good judgment of my friend, the sponsor of the amendment, that the amendment will improve the situation one bit. I think, on the contrary, that the adoption of the amendment at this time might have a very unfortunate effect upon friends and allies in the NATO alliance, and perhaps elsewhere. For that reason, I believe the amendment should be rejected.

Mr. ELLENDER. Mr. President, I yield 1 minute to the able Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I join in what the Senator from Connecticut and other Senators have said. I think it would be a great mistake to attach an amendment of this kind to the bill. This particular policy is certainly a bipartisan, or nonpartisan, policy. The administrations of both parties have felt that measures of this kind were in the interest of the United States. That is, of course, the reason for them. They can be played with, and emotions can be aroused.

It is quite arguable, of course, that this would be a beneficial amendment. But I think, with all deference to the distinguished Senator from Indiana, that it would be very dangerous indeed to attach the amendment to the bill. I hope the Senate will reject it. I know the Senator from Indiana feels very strongly about it.

Mr. JENNER. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Indiana has 5 minutes remaining.

Mr. JENNER. I think the record should be clarified. Secretary Benson is not in favor of the bill. He wanted it limited to 1 year at a time. He so said and testified, and that is in the report. Ask him.

To correct the distinguished Senator from Connecticut [Mr. Bush], I do not think the Republican Party ever had anything in its platform which stated that it would be willing to use the taxpayers' money to aid, abet, support, and feed Communists.

Let us not be naive about Tito. Tito has already publicly announced that in

case of war he would march at the side of the Russians.

I should not like to have the Senate reject an amendment of this kind, because I doubt that most Senators have read it. I shall read it again:

Section 107 of Public Law 480 is hereby amended by adding the following: "or (3) any nation which has indicated directly or indirectly that it will support the Soviet Union, the Communist government of China, or any other Communist government, in event of hostilities between such government and the United States."

In my opinion that is clear; it is plain. That is what we are trying to do.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Trade Follows Aid" Sadly Untrue Slogan," written by Michael Padev, and published in the Indianapolis Star of March 19, 1958.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"TRADE FOLLOWS AID" SADLY UNTRUE SLOGAN  
(By Michael Padev)

Foreign aid supporters often argue that overseas grants by the United States Government help American trade with foreign countries. "Trade follows aid" now has become a familiar and even a popular slogan. Yet, as with so many other things concerning our foreign-aid program, this slogan is based on a myth. The truth is that foreign aid has not helped American trade anywhere on earth. United States trade with the world at large can be divided, roughly, into four equal areas in terms of volume of trade: Canada, Latin America, Western Europe, and the rest of the world. In other words 17 million Canadians buy as many United States goods as 170 million Latin Americans or 330 million western Europeans or 1,500,000,000 people in the rest of the world. The United States has given no aid to Canada whatever, comparatively little aid to Latin America but very generous aid to both Western Europe and the rest of the world. In terms of American foreign trade every Canadian (no aid) is worth 10 Latin Americans (little aid), or 20 western Europeans (very generous aid), or 100 inhabitants of the rest of the world (most generous aid). Clearly trade does not follow aid. The two things are completely unrelated to each other.

Far from helping our overseas trade United States foreign-aid spending often has damaged it. It has also considerably harmed America's economic and political interests. A good example of the latter is provided by Canada, our best and most dependable customer as well as our most important ally. The Canadian Government has protested several times to Washington against the disposal of United States wheat surpluses abroad. The Canadians are too polite to call this disposal policy by its proper name—it is foreign aid in food supplies.

BEEEN VERY GENEROUS

Uncle Sam has been very generous in this sort of aid during the last few years. Enormous quantities of food supplies, largely wheat, have been sent as gifts to most Asian countries, including neutral India, as well as to most states in Europe, including Communist Yugoslavia and Poland. But Canada is one of the world's largest producers of wheat. Canada's prosperity depends on her wheat exports and her wheat exports depend on the demand for wheat in overseas markets.

If foreign nations which need wheat could get it free through the United States foreign-aid program they would obviously not think

of buying it from Canada or any other wheat-exporting country. Thus American foreign aid in wheat and food supplies has inflicted severe damages to Canada's export trade and to Canada's economy.

But Canada's economy is very closely linked with United States economy. A crisis in Canada would have immediate and serious effects in the United States. Our annual exports to Canada exceed \$3,500,000,000. This represents nearly one-fourth of our total exports—to the whole world. Moreover, the Canadians pay cash for what they buy in the United States, and the Canadian dollar is just as good an international currency as the American dollar. In short, our best interests are at stake in Canada's economic development. Yet, by dumping American foreign-aid food supplies abroad, United States foreign-aid planners do considerable damage to Canada's export trade.

If this foreign-aid food policy continues, our trade with Canada is bound to suffer, too. This, in its turn, will hit—and hit hard—American industry, American agriculture, and American business, all engaged now in the very profitable Canadian export trade. Indiana will suffer particularly badly, as the Midwest States are engaged in Canadian trade more than any other part in the United States or of the world. The Great Lakes area, extending over both United States and Canadian territory, is, in fact, a closely dependent economic unit. By harming United States-Canadian trade and the Canadian economy United States foreign-aid planners harm also Indiana's economy.

How crazy can people in Washington get?

Mr. JENNER. Mr. President, I remind the Senate that yesterday I called attention to the fact that in 7 months of the fiscal year 1958 our Government shipped out \$160 million worth of surplus wheat and flour, and that more than a third of that went to Poland and Yugoslavia.

In the same few months, we gave away, or lent for 30 or 40 years, \$45 million worth of cotton. Three-fourths of that cotton went to Poland and Yugoslavia. Now we say we want to feed hungry people. There is nothing in the amendment about the need to feed hungry people. It is planned that we will spend \$40 billion this year. But when the Communist nations take the food we send them, and then, in direct proportion, increase their defense expenditures while we are bankrupting ourselves almost daily to fight communism, I think it is about time we stopped helping them, directly or indirectly.

Who is to say that the people of Communist Poland and Communist Yugoslavia are getting the benefit of the food and fiber we are shipping to them?

What do we know about it? We use the local currency paid for our products to finance the industries of the country getting our farm products, or we make grants to their schools and colleges. That is provided in the bill.

Or we work out travel arrangements for their farm leaders and labor leaders, while our own people visit the satellites, to be brainwashed by all the well-known social and intellectual lures.

Even while we in the Senate were debating more giveaways to Tito, Poland, India, and the rest, Tito was denouncing the United States in his best vituperative style. Tito said that the Kremlin's proposals about how to conduct a summit



meeting are "constructive and acceptable." He said the West was shilly-shallying.

Mr. President, do we want to feed them forever? Under this proposal we would do it for another 2½ years, to the tune of \$3,500,000,000, if the Government of the United States so desired.

The correspondent for the Christian Science Monitor, which hardly is an isolationist publication, stated:

His [Tito's] position today, in fact, is at odds with the West on all its most vital positions.

Mr. President, Tito is cuddling up to Moscow on all issues of foreign policy. That has always been his position, and it will continue to be.

Tito is the foremost catspaw for the Soviet policy of always working through catspaws—doing the utmost damage to the free nations, without spilling one drop of Russian blood.

Mr. President, I wish I could agree with Tito that the Western nations are opposed to a summit conference. We know that a new summit meeting would be nothing but a trap for better Communist propaganda against the free nations. We know that the insistent demands in England, France, and the United States for a summit meeting are only Soviet propaganda, manipulated from Moscow.

Let Senators remember that the United States has already given vast amounts of money to England, France, and the other nations of Europe.

Mr. President, I do not care in the least what Tito thinks about anything. We should deal with the Soviet monkey, which uses the little nations on its borders as catspaws.

But I am concerned that responsible American citizens are so blind, so bewildered, or so venal, that they will pretend that Tito is some new kind of anti-Communist. I am shocked that they will vote to give away the hard-earned products of work on our farms and in our factories, in blind or stupid or venal attempts to win the favor of the little bandit Tito, who obeys, in every move, the orders of the top Communist gangster, Khrushchev.

The PRESIDING OFFICER. All time available on the amendment of the Senator from Indiana has expired.

The question is on agreeing to the amendment of the Senator from Indiana.

Mr. BRIDGES. Mr. President, to the amendment of the Senator from Indiana, I submit an amendment which I send to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In lieu of the Jenner amendment, it is proposed that the following be inserted:

Section 107 of Public Law 480 is hereby amended by adding the following: "or (3) any nation which has not assured the President directly or indirectly it will not support the Soviet Union, the Communist government of China, or any other Communist government, in event of hostilities between such government and the United States."

The PRESIDING OFFICER. Under the order, the Senator from New Hampshire is recognized for 15 minutes.

Mr. BRIDGES. Mr. President, this amendment to the amendment of the Senator from Indiana is in line with a public law passed during the 85th Congress, namely, an act entitled "To Amend Further the Mutual Security Act of 1954"; and it is based on, and is along the same line as the act by which we have given assistance to Yugoslavia. This amendment uses the same language as that used by Congress in that act, which reads in part, as follows:

In furnishing assistance to Yugoslavia, the President shall continuously assure himself (1) that Yugoslavia continues to maintain its independence, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that the furnishing of such assistance is in the interest of the national security of the United States. The President shall keep the Foreign Relations Committee and the Appropriations Committee of the Senate and the Speaker of the House of Representatives fully and constantly informed of any assistance furnished to Yugoslavia under this act.

In other words, my amendment does exactly what the Jenner amendment does, except it approaches the matter in a more positive way.

Mr. O'MAHONEY. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield for a question.

Mr. O'MAHONEY. I should like to ask the Senator from New Hampshire a question: Is the amendment which he has suggested to the Jenner amendment taken from the Mutual Security Act of 1954?

Mr. BRIDGES. What I just read came from the act, as amended; yes.

Mr. O'MAHONEY. Then that is the amendment which I submitted at the time when that measure was under consideration by the Senate. That amendment made it necessary for the President to make a finding that the government of Yugoslavia was not part of the Communist conspiracy to take over the world and to report to that effect to Congress.

Mr. BRIDGES. Yes.

Mr. O'MAHONEY. Am I correct?

Mr. BRIDGES. That is right.

Mr. O'MAHONEY. Is it not a fact that the State Department and the Government of the United States, through the President, last year recommended the modification of that amendment, and no longer that it is as binding as it was?

Mr. BRIDGES. Oh, no; it is still the law.

Mr. O'MAHONEY. Will the Senator from New Hampshire be kind enough to call for a copy of the act as it now stands, in order to see whether I am mistaken in my assumption?

Mr. BRIDGES. I think the Senator from Wyoming is mistaken, and I shall call for a copy of the act.

In the meantime, let me say that I have said, both in this Chamber and around the country, that when Russia brutally gave Hungary her blood bath of suppression, and when tears were

shed by people all over our own great Nation, as well as the rest of the world concerning the fate of Hungary and the fate of the Hungarian people, and when tears were shed by Senators about the fate of Hungary and the Hungarian people, we know what the "virtuous" Communist government of Poland did. In the United Nations, it voted against the resolution condemning Russia for its brutal enslavement of the people of Hungary in the same roughshod way the people of Poland had been made prisoner. Under those circumstances, how can we vote to continue a policy aligning the United States of America with such a country?

Let us look some more at the dismal record of the Communist-ridden governments of Poland and Yugoslavia, as well for that matter, both are on record as favoring the admission of Communist China to the United Nations and as favoring the recognition of Communist China. Yet Members of this body which voted unanimously against such recognition vote continued aid for Communist governments which did.

Time after time the policy enunciated and the action taken by Poland and Yugoslavia have been contrary to the avowed policy of the Congress of the United States and the spirit of the laws of the United States and the expressed wishes of what I believe to be a majority of the American people.

EUROPEAN NATIONS RECOGNIZED COMMUNIST CHINA AND URGED UNITED NATIONS RECOGNITION

Mr. MALONE. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. MALONE. What European nation first recognized Communist China, and subsequently urged the admission of Communist China to the United Nations? Was it England?

Mr. BRIDGES. That is correct.

Mr. MALONE. Practically all of the nations of Europe have recognized Communist China and the admission of Communist China to the United Nations have they not?

Mr. BRIDGES. Perhaps not all of them, but certainly most of them have.

Mr. MALONE. Yes, of course.

Is it not a fact that throughout the Korean war, anything shipped by the United States to the European nations was soon available to Communist China and then of course to Russia?

Mr. BRIDGES. I have heard that stated, but I do not know that it is a fact.

Mr. MALONE. We have investigated that matter and most of such material was available to the Communist area directly or indirectly.

Under those circumstances, if we ship—as is now intended—goods and funds, including our atomic secrets, to European countries, is it not to be presumed that those secrets will soon be in the hands of Russia and Communist China? If we have any secrets left. If we give our atomic secrets to European nations, how long does the Senator from New Hampshire believe it will be before

Russia and Communist China will have possession of those secrets?

Mr. BRIDGES. Let me say that I am quite suspicious that such would be the result.

Mr. MALONE. I believe we are fully justified in being suspicious. When Russia beat us to the punch in sending a satellite around the world, it should not have been so surprising, since Russia then had all of our information plus their own discoveries, did she not?

Mr. BRIDGES. That is correct.

Mr. President, I have always favored the principle of foreign aid, and in the past I have not hesitated to support it. But I have understood that it was mutual aid for the purpose of mutual security, and that mutual security meant helping the nations which were willing to help themselves and which were friendly with the United States and allied with us in the general objectives which we and the rest of the Free World have.

How we can reconcile that with giving help to the Communist nations, which have the avowed purpose of opposing everything the Free World believes in, I do not know.

If such assistance would help the people in the countries now subjected to Communist oppression to throw off the Communist yoke, that would be different. But such aid will simply reduce their opportunities to throw off the Communist yoke.

The aid now proposed is definitely not the type of foreign aid I have supported in the past, and it is definitely not the type of foreign aid which I intend to support in the future.

Let there be no doubt that the Communist regimes are part of the international Communist conspiracy.

This Communist government of Poland has voted in the United Nations against the admission of South Korea and against the unification of North Korea and South Korea and against the censure of Russia for the ruthless suppression of Hungary, and has urged that Communist China be allowed a seat in the United Nations.

Mr. President, the recent announcement that the United States is making available \$98 million of foreign aid credits to the Communist Red regime of Polish Premier Gomulka fills me with indignation. This makes a total of \$193 million extended so far in the fiscal year 1958. Not only does it arouse my indignation, but it seriously undermines the faith of the general public in our whole foreign-aid program. This is particularly so when the American taxpayers are being asked to continue to shoulder a crushing tax burden in a year of economic recession.

The record will show that I have supported foreign aid in principle, from its inception with the Marshall plan, down to and through the fiscal year 1958 budget; and I expect to continue my support in principle. That does not mean, however, that I have not, as now, questioned and opposed certain phases of it which seem to me entirely contrary to the declared policy of our foreign-aid program, and which actually seems cal-

culated to produce results in opposition to our objectives.

The general declared policy of our foreign-aid program is to help friendly nations to help themselves. Under that policy, aid is supposed to be requested by the country desiring it, and for purposes of strengthening either its economic condition or its military posture in its effort to become a strong Free-World partner.

I am as critical of, and as much opposed to, the extension of foreign aid to the Communist regime in Poland as I am to its being extended to the Communist regime in Yugoslavia. Through the years I have—both in Appropriations Committee and here on the floor of the United States Senate—worked to cut off aid to Communist regimes. Through all those years I have never yet seen any manifest justification for spending American tax dollars in the support of an unfriendly Communist regime. I can see no more justification for supporting Gomulka's Communist Poland than there has been for supporting Tito's Communist Yugoslavia.

It seems to me utterly fallacious to maintain that there are, somehow or other, two types of communism—the bad type represented by the Soviet International Communist conspiracy, and the so-called good type of supposedly independent communism, as exemplified by Tito and Gomulka.

Mr. President, in my opinion, communism is communism, no matter where it is found. No one can persuade me that any Communist regime is not primarily linked with the parent Soviet dictators of international communism.

Tears have been shed around this country and in effect also here today that it would hurt the people of Yugoslavia and Poland if we did not continue this program. If I believed it would really help the people of Poland and Yugoslavia throw off the yoke of communism I would be for it and I would vote for it. I do not believe it would. I think it would strengthen the Communist regimes and the people will have greater difficulty than ever. I respect Senators of this body who have other views, they are entitled to them, but I do not agree with them. I think their actions will come back to haunt them even though I may hope for their sakes they will not.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield 2 minutes to the Senator from Indiana.

Mr. CAPEHART. This is not an easy matter on which to vote, because there are good points on both sides of the question. I think a year ago I would have voted for the amendment. The question before the Senate is whether we want to see some of the satellite countries break away from Russia. I was in Poland last October. I have to be factual about the matter. I suppose if I wanted to be emotional about it, I would let my emotions run away with me and support the amendment, because I am so opposed to communism, and always have been. But I must be factual, and tell Senators I was in Poland. My

best judgment is that the Polish Government is pro-Communist, but the Polish people are not. I found Polish churches open, and more people going to church than ever. I learned that much of the land is in private hands. A calculated risk is involved. My judgment is that, since surplus food is involved, we would be better off if we tried to aid the Polish people, so that they might break away from Russia, if it became possible. It will not be easy.

Mr. BRIDGES. Mr. President, I yield 2 minutes to the Senator from California.

Mr. KUCHEL. Mr. President, the decision in the Senate on either the amendment offered by the Senator from Indiana or the substitute offered by the Senator from New Hampshire is going to be no test of patriotism. There is no question of the patriotism of any United States Senator. The question here is whether the Members of the Senate desire to implement—to make more clear—a policy which the Senate itself, together with the House of Representatives, adopted when Public Law 480 was approved in the 83d Congress.

This has nothing to do with the desire of the Government or the people of the United States to render assistance and to give necessary foodstuffs to any people anywhere around the globe who might be in need of additional food. That desire is expressed in the present statute and in the bill before us, and is opposed by all of us. I take it all of us understand title II of the act entitled "Famine Relief and Other Assistance," in which it is specifically provided that the President of the United States, up to the amount of \$300 million, can make available American foodstuffs to people, whether they live in friendly nations or whether they live in unfriendly nations. That is not an issue here. That is not in dispute in the Senate today.

What is important is whether or not the United States Senate agrees with the policy the Congress set down in the law in 1954. It has been alluded to before. It sets forth what our policies shall be with regard to the expansion of trade with friendly nations. Then it defines who is friendly and who is not. It excludes trade with the U. S. S. R. under this law, and those countries dominated or controlled by the U. S. S. R. I approve that policy. I do not want this bill to permit activity under it with any Communist-dominated country.

I think the Senator from New Hampshire has done a service, and so has the Senator from Indiana, in giving us an opportunity, in clear-cut fashion, to lay down what the policy shall be.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BRIDGES. Mr. President, I should like to say just a word. The Senator from California has stated that the patriotism of certain Senators has been questioned. That is not true. Neither the Senator from Indiana nor the Senator from New Hampshire did that. We know every United States Senator is a patriot, and we respect all



Senators, but we do differ very fundamentally with their judgment. We think many who take the other side of the question are wrong, and that the matter will come back to haunt them. The question is in issue. Time will tell whether we are right or wrong. I am willing to coast along with the time, because I think the Senator from Indiana and the Senator from New Hampshire will be proven correct.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. How much time remains on the amendment?

The PRESIDING OFFICER. All time of the Senator from New Hampshire has expired. The Senator from Louisiana who controls the opposition time, has 15 minutes remaining.

Mr. O'MAHONEY. Will the Senator from Louisiana yield me 2 minutes to express some of my doubts?

Mr. ELLENDER. I yield 2 minutes to the Senator from Wyoming.

Mr. O'MAHONEY. I think a glance at the budget, which is before us, will prove to everybody concerned how vital is this issue which is raised by the bill before the Senate. The Bureau of the Budget has issued a document entitled "The Federal Budget in Brief." On the cover appear the words "From the Executive Office of the President, Bureau of the Budget, Fiscal Year 1959."

On page 14 of the document there is a diagram which shows the estimated expenditures sent to Congress by the President in January for fiscal 1959. The first item is \$45,800,000,000 for major national security. Next, \$7,900,000,000, for interest on the national debt. Next, \$5 billion, for veterans.

If we add those three items, we have a total expenditure of \$58,700,000,000 for past wars, for preparation for future wars, for the rehabilitation of veterans who have suffered in the preceding wars. Fifty-eight billion is fifty thousand million. I emphasize the word "million."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. O'MAHONEY. I ask for 2 additional minutes.

Mr. ELLENDER. I yield 2 additional minutes to the Senator from Wyoming.

Mr. O'MAHONEY. That is a total of \$58,700,000,000 for purposes of war. There is left only \$15,200,000,000 for all other activities of Government.

Unless we win the fight for freedom here within our own shores, it is difficult, indeed, for me to comprehend how it is possible for us to hope to buy the support of satellite nations; but because the President is submitting this project, I shall, I think, support the bill and vote against the amendment, the President should not be repudiated by the Congress where food for hungry people is involved. I want to call the attention of the Senate to the fact that the Mutual Security Act of 1956 contained the following provision:

Sec. 143. Notwithstanding any other provision of law, no assistance under this title or any other title of this act, or under any

provision of law repealed by section 542 (a) of this act, shall be furnished to Yugoslavia after the expiration of 90 days following the date of the enactment of this section, unless the President finds and so reports to the Congress, with his reasons therefor, (1) that there has been no change in the Yugoslavian policies on the basis of which assistance under this act has been furnished to Yugoslavia in the past, and that Yugoslavia is independent of control by the Soviet Union, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that it is in the interest of the national security of the United States to continue the furnishing of assistance to Yugoslavia under this act.

This was the amendment I offered and to which I referred a moment ago in my colloquy with the Senator from New Hampshire.

When the Mutual Security Act came before Congress in 1957 for amendment this section was changed. It was modified. It was tempered. It was ameliorated. It was made softer on Tito and his allegiance to the Communist conspiracy.

Mr. President, in the interest of time I ask unanimous consent that the 1957 modification of the amendment be printed in the RECORD in full, so that all may know what the policy of the State Department is. In spite of this, however, because I want to use our surplus food to feed hungry people I shall vote against the amendment.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

Sec. 143. Assistance to Yugoslavia: In furnishing assistance to Yugoslavia, the President shall continuously assure himself (1) that Yugoslavia continues to maintain its independence, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that the furnishing of such assistance is in the interest of the national security of the United States. The President shall keep the Foreign Relations Committee and the Appropriations Committee of the Senate and the Speaker of the House of Representatives fully and constantly informed of any assistance furnished to Yugoslavia under this act.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 1 additional minute.

Mr. O'MAHONEY. It is quite clear that the administration has changed its point of view and that the Congress—particularly the Committee on Agriculture and Forestry—is now offering the bill in the hope that despite the wavering position of the State Department and the President with respect to Yugoslavia we will be able to do this for the purpose of using our surplus foods to feed the hungry people.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Louisiana has consumed 5 minutes of his time.

Mr. ELLENDER. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. ELLENDER. If anything, the amendment now under consideration is worse than the amendment offered by the Senator from Indiana [Mr. JENNER].

It would provide that any nation which has not assured the President that directly or indirectly it will not support the Soviet Union or any Communist government cannot get assistance. The amendment under consideration will have the same effect as the amendment of the Senator from Indiana [Mr. JENNER], but it almost requires the establishment of an alliance by a foreign nation with the United States.

I agree with my good friend from Indiana [Mr. CAPEHART]. There is no doubt in my own mind that the Polish people are very friendly to the United States and that such assistance will go far towards making them independent of the Soviet Union. If such can be accomplished, there is every reason for the act to remain unchanged, in this respect.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield myself another minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. ELLENDER. That is exactly what the Congress had in mind when it enacted section 304, giving the President authority to assist friendly nations to free themselves from the control of the Soviet Union.

The decision is left up to the President and the Secretary of State. In the case of Poland, it was their decision that by assisting Poland they might cause that country to be weaned away from the Soviet Union. In the long run our Government will benefit from such a procedure.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Kentucky [Mr. COOPER].

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 5 minutes.

The Senate will be in order.

Mr. COOPER. Mr. President, I rise to oppose the amendment offered by the junior Senator from Indiana, which is proposed to be amended by the distinguished senior Senator from New Hampshire [Mr. BRIDGES].

All of us are moved by the same feeling of revulsion, against the practices of communism, which animates the two Senators who have offered these amendments. I must say, nevertheless, that I believe the amendments are not in the best interests of the United States.

All of us know that we and other democratic countries are in a struggle with Soviet Russia, and that it will go on for a long time. It might be resolved but I hope never and our country hopes never by war. We hope it may be resolved in time by just agreements but that does not seem to be possible at this time. In the long run, if a balance of power in the world can be developed, with the influence to convince Soviet Russia that they cannot successfully prosecute a war against the United States or that just settlement must be made for the peace of the world—we may resolve the impasse.

It is upon the last ground that I believe these amendments are a wrong approach to the problem. I shall give my reasons.

First, I speak of our aid to Poland and Yugoslavia. We have undoubtedly helped these peoples for humanitarian reasons. But, I believe, that politically the Department of State and the President of the United States have been willing to make loans to Poland and Yugoslavia because those countries, to some extent, have asserted some independence of Soviet Russia. We can encourage them to keep a measure of independence from Soviet Russia and to encourage, by their example, other nations to break away. Certainly, that is an important objective.

Second, I speak to the amendment of the senior Senator from New Hampshire. The senior Senator from Louisiana is exactly correct. If we adopt the amendment which has been proposed by my friend from New Hampshire, it will extend the prohibition of aid under this bill, I would guess, to 50 countries in the world—to newly independent countries in the Mid-East, in Asia, and the new countries of Africa. They are not allies of Soviet Russia, but as newly independent countries they do not want a great power to dictate their policy—what they will do in the future, and what they will do in the present cold war. Although they are independent and democratic, and do not intend to join the Soviet Union in case of war, they do not want to become involved in the cold war. If they take the position that they cannot in national honor sign the agreement which the amendment proposes, what will happen. We shall have then denied our assistance, and isolated ourselves from many countries in the Mid-East, with which we have been concerned for over a year. We shall likewise have isolated ourselves from many newly independent countries of Asia and Africa. If we pursue such a policy we shall end up being isolated from over half the peoples of the world.

I do not think that is the way, over a long period of years, to attempt to make friends throughout the world. I do not believe that is the way to alter peacefully the balance of power, which may finally convince Russia that there must be a peaceful and just solution of the world's difficulties.

For these reasons, admitting the patriotic impulses of our two friends, we are faced with a choice of methods. We know what our objectives are. We know we are engaged in a long struggle. I believe the amendments should be defeated, because they will not help us win the struggle.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 20 seconds to the Senator from Indiana.

Mr. JENNER. Mr. President, I ask to modify my amendment in accordance with the provisions of the amendment offered by the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. LAUSCHE and Mr. SALTONSTALL addressed the Chair.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Ohio.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. ELLENDER. I yield the balance of my time to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes and 40 seconds.

Mr. LAUSCHE. Mr. President, I am of the firm conviction that conflicting positions can be taken on this amendment with complete justification, regardless of the side chosen.

I have great fears about the adoption of the amendment offered by the Senator from New Hampshire. It would not only deal distinctly with Poland and Yugoslavia, but would embrace many other nations with respect to which prospects for good relations with the United States Government are favorable.

I agree with what the Senator from Kentucky [Mr. COOPER] has said, that the amendment of the Senator from New Hampshire would take in the nations of the Middle East and the Far East, and other nations that are not necessarily friendly to Russia, and for that reason I think, with due respect to the Senator from New Hampshire, that his amendment is not well taken.

With respect to the initial amendment offered by the Senator from Indiana [Mr. JENNER], it is my belief that by giving aid to the Governments of Yugoslavia and Poland, we are deceiving the people of Poland and Yugoslavia into the belief that the people of the United States are friendly to those Governments. Just as surely as the night follows the day, the people of Yugoslavia do not want Tito and his Communist government. It is equally certain that the Polish people do not want a Communist government.

My fear is, that by giving money and other aid to them, we are delaying in two ways the advent of the upheaval of the Communist regimes in Poland and Yugoslavia.

First, we are deceiving the worker in the fields of Yugoslavia into the belief that there is friendliness among the American people for the Yugoslav Government.

Second, we are relieving the Communist governments of the responsibility of providing sustenance for their citizenry, and thus increasing the ability of these governments to develop armaments of war. While I favored the original amendment offered by the Senator from Indiana, I regret that I will have to vote against its modified form resulting from the acceptance of the New Hampshire Senator's version of the course we should follow.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

All time on the amendment has expired. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. JENNER], as modified.

Mr. AIKEN. Mr. President, I yield myself 1 minute on the bill.

I will not vote "no confidence" in the President in the field of foreign affairs.

I will not give assurance to Russia that we will not give assistance to any of the satellite nations which seek to break away from the Communist orbit.

I will not blast the hopes of freedom which the people of Poland, or any other nation of Eastern Europe may have at this time.

I will not embarrass friendly nations with which we are at present carrying out coordinated programs; and therefore I shall vote against the pending amendment.

Mr. ELLENDER. Mr. President, I yield 1 minute on the bill to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, we worked out this problem with respect to Yugoslavia last year after a great deal of difficulty, by leaving discretion in the President as to whether to send aid to Yugoslavia and by requiring him to give assurances to the Congress periodically.

I think the amendment of the Senator from New Hampshire is not in satisfactory language at the present time, but it does leave discretion in the President. I believe the amendment should be re-drafted in the House, or in the Senate before the bill is finally passed, so as to leave discretion in the President. I am glad to leave discretion in the President, as we did last year with respect to Yugoslavia.

We must soon consider an appropriation bill for foreign aid. This entire subject will come up in connection with that appropriation; I believe we can settle it satisfactorily by letting the President decide whether foodstuffs should go to Poland, Yugoslavia, or any other nation which, in his judgment, is not committed to fight against us in case of a war.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Florida [Mr. HOLLAND] on the bill.

Mr. HOLLAND. Mr. President, I do not think sufficient emphasis has been laid on the fact that this amendment applies not solely to Poland and Yugoslavia, but particularly to all the neutral nations of the earth.

I do not think we can demand of a neutral nation which needs our help, and whose friendship we hope to win, that it should commit itself in advance before it may be dealt with under this act. If we were to do so we would not only give offense to that nation, but would, in effect, be serving notice to the world that we do not care to have any more friends and allies than we now have. I do not want to be in that position.

I have perfect confidence in the patriotism of the President of the United States and of the Secretary of the State Department. I do not believe that they will deal helter-skelter with neutral nations, but will deal with them under the provisions of the bill only when they think there is a fair and reasonable opportunity to do them lasting good, and to leave them in a more friendly attitude, and more likely to side with us in the event of real trouble. I repeat that I do not believe we are in a position in which we want to serve notice



to the world that we do not desire any more allies or friends.

Mr. AIKEN. Mr. President, I yield 2 minutes on the bill to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, obviously, a Senator may not offer an amendment in the third degree.

I always become a little disconcerted by the haste with which language is drafted on the floor of the Senate. If it were possible to offer an amendment, I would offer a substitute which would place the burden on the President, and provide that no nation shall receive aid unless the President has assured himself, with respect to such nation, that it will not directly or indirectly support the Soviet Union, and so forth.

As the amendment is drawn at the present time, other nations must directly or indirectly indicate their attitude to the President. That puts a burden on them. Under the terms of revised language, the burden would be placed upon the President to be assured on that point. No other report to the Foreign Relations Committee would be required; and no report to the Speaker would be required, as was required in connection with the provision in the Mutual Security Act dealing with Yugoslavia.

Mr. President, I ask unanimous consent to have printed in the RECORD the complete text of the amendment I would have offered in lieu of the amendment of the Senator from Indiana, had it been in order to do so; and following that, section 143 of the Mutual Security Act approved August 14, 1957.

There being no objection, the amendment and section were ordered to be printed in the RECORD, as follows:

Section 107 of Public Law 480 is hereby amended by adding the following: "on (3) any nation, unless the President has assured himself with respect to such nation, that it will not directly or indirectly support the Soviet Union, the Communist Government of China, or any other Communist government in event of hostility between such government and the United States."

SEC. 143. Assistance to Yugoslavia: In furnishing assistance to Yugoslavia, the President shall continuously assure himself (1) that Yugoslavia continues to maintain its independence, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that the furnishing of such assistance is in the interest of the national security of the United States. The President shall keep the Foreign Relations Committee and the Appropriations Committee of the Senate and the Speaker of the House of Representatives fully and constantly informed of any assistance furnished to Yugoslavia under this act.

(c) Add a new section 144 as follows:

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. JENNER], as modified. All time on the amendment has expired.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Sen-

ator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Oregon [Mr. MORSE], and the Senator from Georgia [Mr. TALMADGE], are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Oregon [Mr. MORSE], would each vote "nay."

On this vote, the Senator from New Mexico [Mr. ANDERSON] has a general pair with the Senator from South Dakota [Mr. CASE].

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT] is absent because of death in his family.

The Senator from Maryland [Mr. BUTLER] and the Senator from Vermont [Mr. FLANDERS] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senators from New York [Mr. IVES and Mr. JAVITS] are detained on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Iowa [Mr. HICKENLOOPER] are also detained on official business.

The Senator from Arizona [Mr. GOLDWATER] and the Senator from Pennsylvania [Mr. MARTIN] are absent because of illness.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Vermont would vote "nay."

On this vote the Senator from South Dakota [Mr. CASE] has a general pair with the Senator from New Mexico [Mr. ANDERSON].

The result was announced—yeas 24, nays 53, as follows:

#### YEAS—24

Barrett	Hruska	Payne
Beall	Jenner	Revercomb
Bricker	Knowland	Russell
Bridges	Kuchel	Saltonstall
Cotton	Langer	Schoeppel
Curtis	Malone	Smith, Maine
Dirksen	Martin, Iowa	Thurmond
Dworschak	Mundt	Williams

#### NAYS—53

Aiken	Gore	Neuberger
Allott	Green	O'Mahoney
Bible	Hayden	Pastore
Bush	Hill	Potter
Byrd	Hobbs	Proxmire
Capehart	Holland	Purtell
Carlson	Humphrey	Robertson
Carroll	Johnson, Tex.	Scott
Case, N. J.	Johnston, S. C.	Smathers
Church	Kefauver	Smith, N. J.
Clark	Kerr	Sparkman
Cooper	Lausche	Stennis
Douglas	Long	Symington
Eastland	Magnuson	Thye
Ellender	Mansfield	Watkins
Ervin	McNamara	Yarborough
Fear	Morton	Young
Fulbright	Murray	

#### NOT VOTING—19

Anderson	Hennings	McClellan
Bennett	Hickenlooper	Monroney
Butler	Ives	Morse
Case, S. Dak.	Jackson	Talmadge
Chavez	Javits	Wiley
Flanders	Kennedy	
Goldwater	Martin, Pa.	

So Mr. JENNER's amendment, as modified, was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, on behalf of the Senator from New Hampshire [Mr. BRIDGES] and myself, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 2, lines 23 and 24, it is proposed to strike out "June 30, 1960" and insert "June 30, 1959."

On page 3, lines 1 and 2, strike out "June 30, 1960" and insert "June 30, 1959."

Mr. WILLIAMS. Mr. President, my amendment merely cuts the program back to 1 fiscal year ending June 30, 1959. The amendment is endorsed by the Department of Agriculture. When the Department asked for the extension of the program, it asked for \$1½ billion for fiscal 1958. They object to the extension of the program for a 2-year period on the basis that should it be needed they would be back next year to ask for another extension. Even with the adoption of this amendment it will still have authority for \$2 billion extra money. The Department and many on the committee think that the program should be reviewed by the appropriate committees of Congress and by the Department on an annual basis. To reject the amendment means that we will be giving this agency authority in the amount of \$3½ billion over a 2-year period or \$1½ billion more than they even ask for.

If the amendment is agreed to, there will still be an additional \$500 million for fiscal 1958 and the full amount or \$1½ billion requested by the Department for 1959.

With this amount of money involved, the program should have an annual review.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter which I received from the administration, in which it is strongly recommended that the program be limited to 1 year, followed by a copy of a letter from the Department under date of March 11, 1958, addressed to Senator ELLENDER, the chairman of the committee, in support of the Aiken amendment which the Senate adopted earlier.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,  
Washington, D. C., March 7, 1958.

HON. JOHN J. WILLIAMS,  
United States Senate.

DEAR SENATOR WILLIAMS: Attached is a copy of the statement that you may use as you see fit, regarding the amendments to Public Law 480 recently adopted by the Senate Committee on Agriculture and Forestry. This material was prepared in response to your request to Clyde Wheeler.

If you need anything additional, please let us know.

Sincerely yours,

DON PAARLBERG,  
Assistant Secretary.

MARCH 7, 1958.

1. Reason for request for 1-year extension instead of 2 years:

The administration construes title I of Public Law 480 as a temporary means of moving accumulated agricultural surpluses abroad in a constructive manner. Limiting the extension of this authority to 1 year permits an annual review of the program by the Congress. Such annual review is important both with respect to effective surplus disposal under special programs and maximum effect on commercial exports. There is a likelihood that an extension of more than 1 year would tend to assign some degree of permanence to the program; it would also give less impetus to consideration of alternative methods of surplus disposal which might give greater emphasis to commercial exports. Orderly programing and shipping can be achieved under annual extensions as long as authorizations are provided soon enough during the year to prevent interruptions in programing.

2. Why yearly review is recommended:

Although Public Law 480 provides important authorities concerned primarily with the disposal of agricultural surpluses, the act requires wide Government coordination. It combines many purposes which affect our domestic and foreign economic policies and involves activities of several departments and agencies. Some of the facets of Public Law 480 can be touched on briefly. The large disposals to our friends abroad contribute directly to foreign policy objectives; the large amounts of local currencies loaned back to importing countries are coordinated by the International Cooperation Administration in mutual security operations; and local currencies are used to pay United States expenses abroad and finance agricultural market development, educational exchange programs and other activities.

Because of this complex nature of Public Law 480, it appears imperative that administrative officials and the Congress make a full and complete appraisal of its operations on an annual basis.

3. Objection to new barter amendment:

The explanation of the barter amendment to S. 3039 prepared by the Senate Committee on Agriculture and Forestry makes it clear that the amendment is intended to remove any discretion that the Secretary of Agriculture now has to determine whether he should or should not barter. The explanation shows that the amendment is intended to be mandatory and makes it clear that the Secretary must barter CCC commodities if he is offered strategic or critical materials or other materials which entail less risk of loss or substantially less storage charges than the CCC commodities. In our committee session, nobody could tell us what was meant by other materials. I am afraid it means the Secretary might have to take such things as tea, spices, iron ore, or perhaps even bottle caps under the barter program. To direct the Secretary to engage in a broad program of industrial material imports which are not strategic or critical materials, the amendment would in effect say that the Congress would rather have the Secretary accept bottle caps instead of dollars for his agricultural commodities. Under the present law, the Secretary is directed to barter only when he believes that barter will protect the funds and assets of the Commodity Credit Corporation—in other words, he will barter when he cannot sell the same commodities for dollars. By removing this discretionary language from the amendment, the committee is saying that it is unimportant whether barter commodities are in addition to dollar sales or whether they replace dollar sales.

I cannot see how we can ask the Senate to enact a law which claims that barter is superior to cash sales. I do not see how we can tell the Secretary that he is not to con-

sider the effect of proposed barter on regular cash sales. Nor can I understand why this same Senate committee in recommending extension of title I of Public Law 480, the provision that authorizes foreign-currency sales, directs the President to only make such sales when they are in addition to our usual commercial marketings and does not believe it necessary to include the same provision in their amendment of the barter program. Obviously, if it makes sense in title I, it also makes sense in the operation of the barter program.

The committee explanation of the barter provision makes much of the fact that barter permits the United States exporter to cut his sales price for the commodity and thereby gain a competitive edge. If this can be done under the barter program, why would it not make sense to do so on cash sales by the Commodity Credit Corporation.

Finally, the Department of Agriculture has never said it is against barter. It is for barter. It has only asked that care be exercised to insure that the barter of agricultural commodities be in addition to our dollar sales and not replacements. This is the reason that the barter program was changed last year. It is the reason why I believe that the proposed amendment is bad legislation.

DEPARTMENT OF AGRICULTURE,  
Washington, D. C., March 11, 1958.

Hon. ALLEN J. ELLENDER,  
Chairman, Committee on Agriculture  
and Forestry, United States Senate.

DEAR SENATOR ELLENDER: We have been requested by Senator HUMPHREY to give consideration to, and to report to your committee on possible language changes in the proposed amendment to title III of Public Law 480, 83d Congress, which would make it more acceptable from our standpoint. This legislation would direct the Secretary of Agriculture to barter up to \$500 million worth of agricultural commodities per year for materials under certain conditions. We are, however, unable to formulate any changes short of the virtual nullification of the proposed change which would eliminate our objections. The Department of Agriculture wishes to go on record as being vigorously opposed to its enactment into law.

The proposed elimination of any consideration by the Secretary of whether or not a barter transaction will protect the funds and assets of Commodity Credit Corporation as a criterion for exercising administrative judgment is an unprecedented approach to legislative direction. We believe the best interests of the Commodity Credit Corporation, as a Government instrumentality, are synonymous with the best interests of the United States.

In our judgment the elimination of the principle of "additionality as a result of barter" cannot be justified. This amendment directs the Secretary of Agriculture to completely ignore what agricultural commodities could be moved into export channels through the normal channels of trade for purchase by our regular customers for dollars. Its effect could be to replace to the extent of up to \$500 million per year of cash business by barter for materials which for the most part there would be no need in the near future. These materials would go into dead storage in the hope that at some future time we will be able to utilize them without serious effects on domestic producers of these materials.

We have diligently studied the potentials of barter as a means of expanding our agricultural exports. We believe opportunities do exist. We believe honestly and sincerely our present policies will give some measure of assurance that increased exports are being accomplished through barter. We believe that the assumption that barter offers almost unlimited opportunities for expansion

of exports is false. Such an assumption is based on the fallacious premise that the have-not countries of the world with respect to food and fiber are countries that have great material resources to trade for food and fiber. This is not true. We believe, however, that substantial additional business can be achieved if export contractors are required to demonstrate additionality. If this requirement is eliminated all contractors will turn to easy barter and be content to merely replace cash sales.

There are powerful forces urging opening the throttle on a barter program. An analysis of the reasons therefor is in order.

This country is in a position to buy for current consumption all the foreign produced materials the economy requires. Legislation exists for the procurement of all the materials deemed prudent to stockpile for future emergency defense needs. The rate and extent of such procurement is limited only by appropriation by the Congress. In spite of the zeal to substitute barter for normal exchange, the United States dollar can still be utilized to better advantage in world markets than our agricultural commodities. Then why do we have such strong pressures for a wide-open barter program? The fact is that a surplus situation exists in the world for many materials. The producers of those materials in the foreign countries and importers of those materials into this country want a price-support and surplus-removal program for those materials. We cannot solve the price-support and surplus-removal problems of our domestic agricultural economy by attempting to take on those same responsibilities for a much wider field of material production throughout the world.

Experience with our domestic agricultural programs has, we believe, led to one accepted axiom. Price support at profitable levels of production without effective controls on production can only lead to financial disaster. To the extent that barter provides a profitable outlet for foreign produced materials, over and above that normally existing, foreign production and resultant surpluses will be increased. Certainly this country has no and could not have any semblance of control over such production.

There are a few materials such as industrial diamonds of which there is no domestic production. Of the rest, the world production affects domestic producers by their competitive price in the United States market. The removal of and insulation from the market of those surpluses may provide a temporary price stabilization to domestic producers of such materials. Such was the result of rather extensive barter transactions involving lead and zinc in the past. An artificial outlet at profitable prices can only stimulate foreign production. When the Department of Agriculture realized the folly of serving as a dumping ground for foreign surplus lead and zinc with little resultant gains in the disposal of agricultural commodities we stopped the program for reappraisal. The domestic lead and zinc industry felt the full impact of the price depressing effect of this stimulated foreign production. Such will be the inevitable result on other domestic producers of barter materials under a barter program which provides an outlet for surplus foreign materials and serves as a stimulant for further expansion of such surplus production.

The importers of diamonds have been vigorous proponents of expanded barter. Diamond production is controlled by cartel. World prices are maintained by the quantities of diamonds released to the market by those cartels. Diamonds have been held up as the glowing example of a material entailing less risk of loss through deterioration or substantially less storage charges than surplus agricultural commodities. There are a few surplus diamonds in the hands of importers now. The Congress, by the enactment of this proposed amendment, would



direct the Secretary of Agriculture to not only provide a home for those diamonds but also to assure the diamond cartels of the world an outlet at world prices for an expansion of production up to whatever portion of the \$500 million limitation they could get the Department to accept.

Statements have been made in previous testimony before your committee by proponents of barter of the competitive advantage, price-wise, enjoyed by barter commodities. This has been advanced as an argument that barter stimulates agricultural exports. Assuming that such a price advantage exists, it can only serve to drive down the world price of agricultural commodities. Agricultural commodities moving under barter would be in competition, not only with agricultural commodities from other countries, but with agricultural commodities exported from this country through normal channels of trade. This can become a vicious circle. To the extent that the domestic market price is influenced by the price at which exporters can sell in world markets a lower price will result in order to meet the competition of the same commodity originating through barter.

The Department has, with the encouragement of Congress, made great progress in making agricultural surpluses in CCC inventory available on a competitive-bid basis in order to meet world prices. The exporter who buys for dollars must and will bid lower than he ordinarily would, in order to meet whatever price advantage accrues from acquisition of those same commodities through barter.

Not only would the funds and assets of the Corporation suffer under such a progressively vicious circle but also the taxpayers who must make good the losses of the Corporation.

The Department is not opposed to barter. We believe it has a place in our multi-approach to surplus removal through expanding exports of agricultural commodities. We also believe, however, that the interests of agriculture and the United States as a whole will best be served if it is limited to those instances where administrative judgment believes it creates additional foreign purchasing power and channels that purchasing power into buying United States agricultural surpluses which would not otherwise move into export through normal channels of trade.

It is important to note that the proposed legislation will result in no saving in storage charges to the Commodity Credit Corporation. It will, in fact, result in increased costs. This comes about because we will not be gaining new agricultural export business but merely replacing dollar sales by barter sales. This means CCC inventories remain about the same on the agricultural side of the picture. We would, however, receive materials which must be stored at the cost of the taxpayers instead of dollars which at present we can use to reduce the indebtedness and interest payments of the Federal Government.

In summary it may be helpful to tabulate a few of the things the proposed amendment would and would not do. The amendment—

(1) Would direct the Secretary to barter up to \$500 million worth of agricultural commodities per year even if such transactions would not conserve the assets of CCC and the Federal Government but would dissipate them.

(2) Would direct the Secretary to barter even though the so-called barter transactions would merely replace cash sales for dollars and would have a tendency to drive down the price which CCC would receive for its remaining sales for cash.

(3) Would require the Federal Government to pay storage on unspecified materials to be imported if the imported materials have storage costs and deterioration risks

lower than agricultural commodities owned by CCC even though such materials could not be used in the foreseeable future.

(4) Would increase the interest costs of CCC and the Federal Government.

(5) Would provide world price support for materials without permitting domestic mining interests to benefit directly.

(6) Would require CCC officials who are not experts in this field to spend up to \$500 million for foreign materials each year.

On the other hand the amendment—

(1) Would not appreciably reduce CCC inventories of agricultural commodities.

(2) Would not to any measurable extent establish new agricultural export outlets or increase existing ones.

(3) Would not reduce storage costs of CCC.

(4) Would not reduce deterioration losses of CCC.

(5) Would not be of help to farmers or to our commodity inventory problems.

The proposed amendment prohibits the exercise of administrative judgment to an unprecedented extent. In our opinion it would, in retrospect, serve as a basis to discredit the Congress that enacted it and those who attempted to administer it.

Since this proposed legislation is ready for consideration on the floor of the Senate, we have not cleared this report with the Bureau of the Budget.

Sincerely yours,

E. T. BENSON,  
Secretary.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BRIDGES. I support the amendment of the Senator from Delaware, which I had the privilege and honor of cosponsoring, because I think we are going wild on spending. We are in the midst of very changeable conditions in the United States. I think we should be in a position to review a great expenditure and a major policy decision such as this every year.

As the Senator from Delaware has carefully explained, the amendment will not affect the additional money needed for 1958 or for the full fiscal year 1959. It merely terminates the program at the end of fiscal 1959 to allow Congress to review an extension for the fiscal year 1960.

The amendment is sound in every respect. I do not see how any Senator can quarrel with it.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MORTON. As I understand, the Senator's amendment merely cuts back the authorization 1 year.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. WILLIAMS. Mr. President, I had 15 minutes.

The PRESIDING OFFICER. The Senator yielded time, and now his time has expired.

Mr. WILLIAMS. I beg pardon. I had 15 minutes on my own amendment. I did not ask that time be yielded to me.

The PRESIDING OFFICER. The Chair was misinformed. The Senator from Delaware has 13 minutes remaining.

Mr. WILLIAMS. I thank the Chair. I yield to the Senator from Kentucky.

Mr. MORTON. As I understand, the amendment of the Senator from Dela-

ware relates to the time element, and fixes the duration of the program at 1 year, instead of 2.

Mr. WILLIAMS. That is correct.

Mr. MORTON. It does not in any way affect the authorization for the remainder of this fiscal year or for the next fiscal year.

Mr. WILLIAMS. That is correct.

Mr. MORTON. The amount remains the same; the time is cut back.

Mr. WILLIAMS. It is merely a cut-back of the time. It eliminates the additional fiscal year, 1960. It does not affect the additional money provided for the remainder of this fiscal year, or the \$1.5 billion for the next fiscal year, as requested by the Department. It merely eliminates the fiscal year 1960, as the Senator has said.

Mr. MORTON. I support the amendment of the Senator from Delaware. I think we must bear this in mind. In the interest of the farmers of America, we hope someday to get back to a program under which our agricultural exports will be sold for cash. If we establish 2- or 3-year programs, I admit that it may be easier to make commitments, and it may be easier, in some ways, to enlarge the program. But we shall be putting into the minds of our agricultural customers, over the years, the thought that if they sit tight on their dollars, we will come along with a Public Law 480 program for them, sooner or later.

If we do not watch out, we will never have the opportunity to regain the agricultural profits we have historically enjoyed. That is another reason for my support of the amendment.

Mr. WILLIAMS. The same argument was made by the Secretary of Agriculture. He was fearful that an extension of the program over a long period of time might actually result in fewer sales than would be possible if our friends abroad thought this was to be extended indefinitely.

In view of the fiscal situation which confronts the Government, it would be well for us to consider that, even accepting my amendment, we will still be providing \$2 billion for this program. It might be well a year from now to re-evaluate the financial situation of the Government and the status of the agricultural program to determine whether we can afford to or should extend it to 1960. Certainly any \$2 billion expenditure should be reviewed by Congress.

I hope that the Senate will adopt the amendment.

This program has helped the American farmer, and it has a lot of support from the many farm organizations. We in Congress have a responsibility to make a careful annual review of all transactions involved to make sure that the program does not become discredited. Secretary Benson, recognizing the need for this careful supervision, has endorsed the principle of my pending amendment, which would extend the program for just 1 additional fiscal year.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes.

The committee was divided as to whether to provide for 1 year or 2 years.

I myself voted for 1 year. As I understand the amendment, \$2 million would be provided for the rest of this fiscal year, and \$1,500,000,000 for the next fiscal year.

As I pointed out on the first day of the debate, the Department of Agriculture favored an extension for only 1 year. The testimony of Mr. Paarlberg was at variance with what is contained in the letter presented to the committee by the Department of Agriculture. After considerable debate in the committee, the committee decided to provide for an extension of 2 years. That is the sum and substance of what occurred.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 2 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, before the vote, I think the Senate should know that the National Farmers Union, the American Farm Bureau Federation, and the National Grange—three great farm organizations of the United States—and the National Milk Producers Federation, and others, as well, have supported a minimum extension of 2 years. Whether that is persuasive or not, at least it should be a matter of record.

Second, I think it should be known that the arguments which are being used by the distinguished Senator from Delaware now were not the arguments he used when the law was authorized. The original authorization for Public Law 480 was for 3 years—not 1 year, not 2 years, but 3 years. It was only last year that Congress extended the law for 1 year. The year before last we extended it for 1 year. After that, we ran out of funds and had to close down the program. That disrupted the export program and the orderly marketing. That is according to the testimony of Mr. Paarlberg.

Mr. Paarlberg, the Assistant Secretary of Agriculture in charge of this program, and the economic adviser to the Secretary of Agriculture, a gentleman whose nomination was recently confirmed by the Senate, stated:

The request for a larger authorization this year is caused by changing world conditions. The dollar position of several countries has worsened and greater demand has resulted from poor harvests overseas. Shipments under past programs, particularly wheat for India, have been accelerated. In addition, we would expect to program part of the new authorization before June 30 if the extension is granted soon enough.

At the same time the Assistant Secretary testified as to the importance of providing adequate authorization as follows:

In the title I program, orderly programing and shipping is extremely important. These are dependent on continuous programing without time out between utilization of separate authorizations. We have run into periods when title I programing has come to a standstill; for example, the development of new agreements virtually ceased in January 1957 when our authorization was almost exhausted. The availability of funds during the following months would have avoided a backlog of program requests from interested countries. This backlog resulted in the necessity to scale down, delay,

or exclude country programs, and in erratic shipment performance. Shipments were running about 800,000 tons a month last spring; these dropped off to less than 400,000 tons and are now just starting to increase again. It is possible that this same condition will exist again unless an extension is granted early in this session of Congress.

This is a program which the Department of Agriculture wants to have continued, a program which it has said it will recommend to be continued. There has been no indication of a desire to discontinue it. The Department's economist has said, in effect, "If you really want a smooth-running program, if you want to get the most out of the program, authorizations for longer periods of time are needed."

It is a maximum of \$1,500,000,000 a year; that is the total amount. It seems to me that good, prudent business practice would indicate that we should have at least a 2-year authorization.

I may add that if we can have a 2-year authorization for foreign aid, we should be able to have one for this program.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). The time yielded to the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield 1 minute to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 1 minute.

Mr. AIKEN. Mr. President, in the committee my position on this matter was the same as that of the chairman of the Committee on Agriculture and Forestry, the distinguished senior Senator from Louisiana [Mr. ELLENDER], namely, \$2 billion to take us through the rest of this year and through the fiscal year 1959.

Although the bill, as written, would not be particularly harmful, yet I believe that if we can have a review made every year of this situation—as provided for by the amendment of the Senator from Delaware—it might be a little more satisfactory.

If we are to reduce our agricultural surpluses at the rate of \$1.5 billion worth a year, we want to keep rather close watch over them.

Mr. WILLIAMS. Mr. President, I hope the amendment will be agreed to.

I yield back the remainder of the time under my control.

Mr. ELLENDER. Mr. President, I yield back the remainder of the time under my control.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). The question is on the agreeing to the amendment of the Senator from Delaware. [Putting the question.]

The "ayes" appear to have it.

Mr. HUMPHREY. Mr. President, I call for a division.

The Senate proceeded to divide.

Mr. HUMPHREY. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr.

WILLIAMS]. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNING], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senators from Georgia [Mr. RUSSELL and Mr. TALMADGE] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNING], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senators from Georgia [Mr. RUSSELL and Mr. TALMADGE] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT] is absent because of death in his family.

The Senator from Maryland [Mr. BUTLER] and the Senator from Vermont [Mr. FLANDERS] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senators from New York [Mr. IVES and Mr. JAVITS] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER] is also detained on official business.

The Senator from Arizona [Mr. GOLDWATER] and the Senator from Pennsylvania [Mr. MARTIN] are absent because of illness.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], and the Senator from Vermont [Mr. FLANDERS] would each vote "yea."

The result was announced—yeas 38, nays 42, as follows:

#### YEAS—38

Aiken	Dirksen	Payne
Allott	Dworshak	Potter
Barrett	Frear	Purtell
Beall	Hoblitzell	Revercomb
Bricker	Hruska	Robertson
Bridges	Jenner	Saltonstall
Bush	Knowland	Schoeppel
Byrd	Kuchel	Smith, Maine
Capehart	Lausche	Smith, N. J.
Carlson	Malone	Thurmond
Case, N. J.	Martin, Iowa	Watkins
Cotton	Morton	Williams
Curtis	O'Mahoney	

#### NAYS—42

Anderson	Hayden	Monroney
Bible	Hill	Mundt
Carroll	Holland	Murray
Case, S. Dak.	Humphrey	Neuberger
Church	Johnson, Tex.	Pastore
Clark	Johnston, S. C.	Proxmire
Cooper	Kefauver	Scott
Douglas	Kerr	Smathers
Eastland	Langer	Sparkman
Ellender	Long	Stennis
Ervin	Magnuson	Symington
Fulbright	Mansfield	Thye
Gore	McClellan	Yarborough
Green	McNamara	Young

#### NOT VOTING—16

Bennett	Hickenlooper	Morse
Butler	Ives	Russell
Chavez	Jackson	Talmadge
Flanders	Javits	Wiley
Goldwater	Kennedy	
Henning	Martin, Pa.	

So Mr. WILLIAMS' amendment was rejected.



The PRESIDING OFFICER. The bill is open to amendment.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the yeas and nays on the passage of the bill be vacated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated March 14, 1958, written to me by Mr. John C. Lynn, legislative director, American Farm Bureau Federation, stating the attitude of that organization on the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,  
March 14, 1958.

Hon. SPENSARD L. HOLLAND,  
United States Senate,  
Washington, D. C.

DEAR SENATOR HOLLAND: As you know the American Farm Bureau Federation took initiative in developing Public Law 480, the Agricultural Trade Development Act. We have always considered this act as a temporary measure designed to increase marketings of agricultural commodities abroad, to assist in reducing the surpluses in the hands of Commodity Credit Corporation and in facilitating foreign-market development.

Farm Bureau is opposed to the provisions contained in S. 3420. While we support a 2-year extension of Public Law 480, we feel that it is imperative that we emphasize the fact that this is supposed to be a temporary measure. In order to do this, we must show our intent of a gradual tapering off of the money authorized for this program. We, therefore, support a 2-year extension of this act with authorization as follows—for fiscal 1959, \$1,250,000,000; for fiscal 1960, \$750 million.

We submit that by increasing the authorization for title I foreign-currency sales up to over \$3,500,000,000 in the next 2½ years, plus the proposed mandatory barter provision of \$500 million is a step not in the best interest of the United States. It will have the effect of making Public Law 480 a permanent part of our agricultural export program and will have the effect of replacing dollar sales with sales for soft currencies. It is important that the Congress demonstrate its firm intent of tapering off sales for foreign currencies and thereby emphasize the temporary nature of this program.

We should not continue to use Public Law 480 to dump surplus agricultural commodities accumulated because of the continuation of unsound domestic price support and adjustment programs. The freezing of the present programs will insure a continued accumulation of commodities in the hands of Commodity Credit Corporation.

A program of sales for foreign currency can benefit American agriculture only a limited length of time before markets begin to be oriented to this way of doing business. Customer nations start to consider foreign currency sales as a normal part of commercial trade. We view with serious concern evidence that some countries are adjusting their dollar exchange so that very little of it is used for the purchase of American farm products. Competitor nations will not accept a permanent Public Law 480 without taking serious trade retaliatory action against United States agricultural exports.

Farm Bureau also supports a program of bartering our agricultural surpluses for essential materials. However, we feel that barter transactions must be in addition to normal dollar sales. Under the provisions of S. 3420 barter transactions would dis-

place dollar sales to a substantial degree. The barter program should be a supplement to normal exports; it should not displace dollar purchases. A barter program as visualized in S. 3420 would cause irreparable harm to United States foreign relations and United States foreign trade. The provision in its present form will tend to nullify some of the good in title I of Public Law 480.

We know of your interest in this program and hope that you will assist us in keeping Public Law 480 on a sound basis. We urge your support in amending S. 3420 so as to reflect the above principles.

Sincerely yours,

JOHN C. LYNN,  
Legislative Director.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (S. 3420), as amended, was passed, as follows:

Be it enacted, etc., That section 103 (b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (Public Law 480, 83d Cong.), is amended to read as follows:

"(b) Agreements shall not be entered into under this title during any fiscal year which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of \$1,500 million, plus any amount by which agreements entered into in prior fiscal years (beginning with the fiscal year ending June 30, 1958) have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such prior fiscal years."

Sec. 2. (a) Section 104 of such act is amended by inserting before the period at the end of the first sentence of paragraph (h) thereof the following: "and for the financing of programs for the interchange of persons under title II of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1446)."

(b) Such section is further amended by adding after paragraph (j) the following new paragraph:

"(k) For providing assistance, by grant or otherwise, in the expansion or operation in foreign countries of established schools, colleges, or universities founded or sponsored by citizens of the United States, for the purpose of enabling such educational institutions to carry on programs of vocational, professional, scientific, technological, or general education; and in the supporting of workshops in American studies or American educational techniques, and supporting chairs in American studies."

Sec. 3. Section 109 of such act is amended by striking out "June 30, 1958" and inserting in lieu thereof "June 30, 1960."

Sec. 4. Section 204 of such act is amended by striking out "June 30, 1958" and inserting in lieu thereof "June 30, 1960."

Sec. 5. Section 206 (a) of the Agricultural Act of 1956 is amended by inserting before the period at the end thereof a semicolon and the following: "but no strategic or critical material shall be acquired by the Commodity Credit Corporation as a result of such barter or exchange except for such national stockpile, for such supplemental stockpile, for foreign economic or military aid or assistance programs, or for offshore construction programs."

Sec. 6. In carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended, extra long staple cotton shall be made available for sale pursuant to the provisions of title I

of the act in the same manner as upland cotton or any other surplus agricultural commodity is made available, and products manufactured from upland or long-staple cotton shall be made available for sale pursuant to the provisions of title I of the act as long as cotton is in surplus supply, and no discriminatory or other conditions shall be imposed which will prevent or tend to interfere with their sale or availability for sale under the act.

#### INCREASED LENDING AUTHORITY OF EXPORT-IMPORT BANK

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed order, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the proposed order.

The legislative clerk read as follows:

#### UNANIMOUS-CONSENT AGREEMENT

Ordered, That following the reconsideration of the vote on the bill (S. 3149) to increase the lending authority of the Export-Import Bank of Washington, and for other purposes, debate on the passage of the bill shall be limited to 10 minutes, to be equally divided and controlled by Mr. JENNER and the majority leader.

Several Senators addressed the Chair.

Mr. JOHNSON of Texas. Mr. President, we have an agreement with the Senator from Indiana that the Senate would reconsider the action it took in passing the Export-Import Bank bill the other day. He is leaving the city. I agreed with him we would limit to 10 minutes the debate on reconsideration of the vote by which the bill was passed. Although he urged that we have a yeas-and-nays vote, he finally agreed that there be a division. I think if Senators will indulge me for about 10 minutes, so we can proceed to that matter, perhaps we can avoid another rollcall or two. I want to accommodate the Senator. He has waited several days so that the Senate could reconsider its action. There are other Senators who wish to leave town. The staff hopes to get away early, because the electricity has been cut off in several parts of town. If Senators will be as brief as possible, it will be appreciated in many quarters.

The PRESIDING OFFICER. The question is on agreeing to the order proposed by the Senator from Texas. Is there objection? The Chair hears none, and the order is entered.

Mr. JOHNSON of Texas. Mr. President, I ask that the action by which the Senate passed S. 3149, increasing the lending authority of the Export-Import Bank, be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. JOHNSON of Texas. Is the Senator from Indiana prepared to proceed with his statement?

#### TWO MORE BILLION DOLLARS FOR THE EXPORT-IMPORT BANK

Mr. JENNER. Mr. President, the Senate has just passed a bill providing for the spending of billions of dollars. The other day I was profoundly shocked by the change in procedure by which an obligation of up to \$2 billion was laid on the American people by a Senate vote for S. 3149, to increase, by \$2 billion, the

lending authority of the Export-Import Bank.

This bill was called up March 3, without any indication on the Legislative Calendar or in the CONGRESSIONAL RECORD that we would be voting to add \$2 billion to our contingent liabilities.

The request for a quorum call was perfunctorily made, and as perfunctorily withdrawn.

I think spending \$2 billion of the American taxpayers' money is too important not to have some notice and not to have a quorum call in the Senate.

The entire debate on the bill in the Senate takes up only a few lines in the CONGRESSIONAL RECORD.

I do not wish to make any blanket criticisms of the Export-Import Bank. On the whole, they have tried to make productive economic loans, and to keep their operating costs within a narrow margin.

I am disturbed about two matters. Why does the bank need two billion, if their loans last year, an unusually active year, were one thousand sixty-six million? Half of this sum was an emergency loan to Britain to meet the special problems raised by the Suez crisis. In addition, the bank collects repayments of about five hundred million a year. A fund of two billion should provide lending margin enough for from 2 to 10 or more years.

I do not believe our economy is in such a shape that we ought to increase the lending authority of the Export-Import Bank without a rollcall or a discussion.

The president of the National Foreign Trade Council recommended what he carefully described as a "reasonable increase" in the lending authority of the bank, but what is the evidence that two billion is a "reasonable" increase?

The second puzzle arises out of the first. Is this surprisingly large request designed to make sure funds are available to the Export-Import Bank, because of some already-agreed-on change in lending policies of which Congress might not approve?

Is the Export-Import Bank going to go in for softer loans, as the advocates of easy money for foreign governments have so persistently demanded?

I wonder especially if the Export-Import Bank is to be synchronized with the new program for international development loans to neutral nations in the undeveloped continents?

Congress has been properly skeptical about this International Development Fund, which was so strongly denounced in the minority report of the House Committee on Foreign Affairs.

I pointed out some of its dangers in the debate on foreign aid.

Senators will remember how Congress has tried, again and again, to prevent point 4 funds from being used for machinery, services, and other costs, which should be paid for by the receiving country.

Congress was so successful in closing this leak that the executive agencies had to work out another way to get what they wanted.

They now get American funds for their local projects by a tie-in between

point 4 and so-called development projects under foreign aid.

Whenever Congress saves a little money at the spigot, the bureaucrats find a way to spend many times as much at the bung hole.

So I wonder if we have here another bit of ingenuity by which ICA's International Development Fund will provide the strategy, and the Export-Import Bank is to supply working capital loans at the right times and places.

One hint in this direction is the amendment to the Agricultural Surplus Disposal Act, by which the bank is relending the counterpart funds which accrue from the sale of agricultural surpluses to foreign countries. We have just extended that authority.

We have been told by propagandists for the International Development Fund that American agricultural surpluses should be used to supply capital for the financing of development projects in Asia and Africa.

Is this how the deed is to be done, under cover of a program to help American farmers?

In the reactionary days of the 19th century, foreign investors were supposed to put up enough capital to pay for the food of their workers.

What a nice windfall it will be for the private investors in this bold new financial scheme, if the people of the United States are taxed to pay the cost of part of their expenses.

We do not have documentary proof of such a change in policy, but we know the unrelenting zeal with which the promoters of the International Development Fund pursue their aims.

We know the International Development Fund, for so-called private loans, is not, and will never be, anything but a drain on the United States Treasury.

Our tax funds are given outright to the ICA for soft loans, and never come back to the Treasury. The Senator from South Dakota [Mr. CASE] tried to correct that evil today, but was defeated.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JENNER. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana? The Chair hears none, and it is so ordered.

Mr. JENNER. Mr. President, if the foreign aid planners do intend to use the Export-Import Bank, and other agencies, to extend new and softer foreign loans, we know they will never give Congress the facts.

When we see a gap between the need for, perhaps, a half billion dollars, and a request for two billions, for the Export-Import Bank, at a time when the Treasury must husband every dollar, it is the duty of Senators to try to get what facts we can get from behind the curtain of official secrecy.

That is why I am so greatly disturbed by the speed with which this bill has been moving along.

Hearings lasted only one session.

The only witness was a Government official, Samuel C. Waugh, President of the Export-Import Bank, who had formerly

been Economic Assistant Secretary in the State Department.

No public witnesses testified.

Public opinion was represented only by insertion of two letters.

With that, the hearings were closed.

We cannot tell from the record who decided on two billions, or why.

I do not consider that there could ever be a good reason for voting an increase of two billions in the potential liabilities resting on our people, without the use of every legislative means to inform the Senators, and to enable even one Senator to state his protest against such spending of money we do not have.

The United States Government is, at present, not able to operate with a debt ceiling of two hundred seventy-five billions.

This Congress has recently raised the ceiling to two hundred eighty billions, and administration experts talk of asking to have the ceiling removed altogether.

Meanwhile, revenues are falling below budget estimates.

We have been told that the Defense Department may need billions more for a stepped-up program to meet Soviet gains.

We have been asked to vote another three and a half billions to the Commodity Credit Corporation—which we have disposed of.

We are asking the American people to pay billions more so the executive branch can step up its missile and satellite program, and, with a straight face, asking them to pay three and a half billions more to give our farm surpluses to Poland, and other satellite states, which serve as granaries and arsenals of the Soviet war machine.

Is this the reason we had to increase the debt ceiling by five billions, or is this a new commitment?

Are we going to be told in a few months that we have to increase the debt ceiling again because Congress has voted five and a half billions of new credit to these agencies, and, of course, the executive agencies always try to do exactly what Congress wishes.

If this is a boobytrap, for committing us to a new increase in the debt ceiling, let us take time now to examine what we are doing.

The responsibility for reconciling our expenditures, our obligations and our taxing power, rests on Congress.

It is not the responsibility of the Budget Bureau, or the executive branch, or the President, or the committees of Congress.

It is the responsibility of the Congress as a whole.

Every Member, from every State, is responsible.

The legislative power is clearly vested in the Congress.

The chief legislative power, next to making war, is the power to commit the people's earnings for precisely defined purposes, and within sound political and economic limits.

I repeat—I do not believe Congress can ever be justified in voting a commitment of \$2 billion, for any purpose whatever, without the fullest notice, on the calendar and in the CONGRESSIONAL RECORD,



and after a real—not a perfunctory—quorum call.

Surely we should not condone the authorizing of two billions of new liabilities on the American people, with so little participation by the Senate as a whole.

A similar situation arose in connection with the Senate's advice and consent to treaties, binding us in foreign policy.

After the spectacle of a treaty passed when only one or two Senators were present, the Senate changed its procedures to call for a yea-and-nay vote on treaties.

I believe the strain on our finances is so great today that no bill which authorizes the spending of billions, or commits the credit of the Federal Government, should pass the Senate without a record vote.

#### AMERICAN WORKINGMEN AND INVESTORS FINANCING THEIR OWN COMPETITION

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Several Senators addressed the Chair. The PRESIDING OFFICER. The Senator from Texas [Mr. JOHNSON] is recognized.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Nevada [Mr. MALONE].

Mr. MALONE. Mr. President, I ask unanimous consent that I may be permitted 3 or 4 minutes to ask a few questions of the distinguished Senator from Indiana.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield to the Senator from Nevada for 2 minutes, so that he may ask questions of the Senator from Indiana.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. MALONE. Mr. President, I should like to ask the distinguished Senator from Indiana if the Export-Import Bank is not a bank set up especially to loan money to foreign nations to build manufacturing and processing plants and to employ the cheap labor of the foreign countries, furnishing the markets of those countries and sending the sweat shop labor products into this country?

Mr. JENNER. The Senator is correct.

Mr. MALONE. There are three other organizations; the International Monetary Fund—organized by Harry Dexter White—the International Bank for Reconstruction and Development, and the International Finance Corporation—all loaning money to foreign nations and to American corporations to build plants in foreign cheap labor countries to compete in American markets under the 1934 Trade Agreement Act—the so-called Reciprocal Trade Act.

Mr. JENNER. The International Monetary Fund?

Mr. MALONE. Yes. Those other three organizations not only loan money to foreign countries, but they loan money to American corporations, so that they may go abroad to build such

manufacturing and production plants and ship the materials produced by cheap labor into the United States.

Mr. JENNER. The Senator is correct.

Mr. MALONE. Using cheap labor for that purpose?

Mr. JENNER. That is correct.

Mr. MALONE. Does the distinguished Senator from Indiana believe that process is of benefit to the United States and a help in employing American workmen now going out on the streets in droves and for the protection of Americans in shops?

Mr. JENNER. No. I think it is a detriment. I think the Senator put it very well when he said that if we keep on doing this Walter Reuther one of these days will be riding down the streets of America in a foreign-made automobile waving at the workers of America who are unemployed because of such policies.

Mr. MALONE. I said that 4 or 5 years ago, and many thought it was a joke, but they are on the street now.

Is this Mr. Waugh, the President of the Export-Import Bank, the same person who represented the United States at Geneva, where the 36 foreign nations are dividing our markets among them under the General Agreements on Tariffs and Trade—GATT—organized under the 1934 Trade Agreement Act?

Mr. JENNER. That is correct. He was with the Department of State before he went to the Export-Import Bank.

Mr. MALONE. When those countries agree to lower tariffs in their multilateral trade agreements, is not that obligation waived so long as they can show they are short of dollar balances?

Mr. JENNER. That is correct.

Mr. MALONE. As a matter of fact, then they are not bound to keep the trade agreements with us. However, we are bound and are the only free-trade nation in the world; they protect themselves—their nation from imports—through tariffs, import permits, exchange permits, and manipulation of the price of their money in terms of the dollar for trade advantage.

Mr. JENNER. I think the Senator is correct.

Mr. MALONE. The taxpayers of America—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JOHNSON of Texas. Mr. President, I yield the Senator an additional minute.

Mr. MALONE. The taxpayers of America, the workingmen and investors of this Nation are financing their own cheap-labor competition—their very downfall; is that not correct?

Mr. JENNER. There is no question about that. Let us finish this debate some other day, if that is agreeable to the Senator.

Mr. MALONE. All right.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time, with the understanding that the Senator from Indiana will yield back the remainder of his time; and I ask for a division on the passage of the bill.

Mr. JENNER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on final passage of the bill. On this question a division has been requested.

On a division, the bill (S. 3149) was passed, as follows:

*Be it enacted, etc., That the Export-Import Bank Act of 1945, as amended, is amended—*

(1) by striking out "\$4,000,000,000." from section 6 and inserting in lieu thereof "\$6,000,000,000."; and

(2) by striking out "\$5,000,000,000." from section 7 and inserting in lieu thereof "\$7,000,000,000."

#### PROPOSED FEDERAL TRADE COMMISSION JURISDICTION TO PREVENT MONOPOLISTIC ACTS IN MEAT AND MEATPACKING COMMERCE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 706, Senate bill 1356.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1356) to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON].

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That (a) subsection (6) of section 5 (a) of the Federal Trade Commission Act, as amended (66 Stat. 632; 15 U. S. C. 45 (a) (6)), is amended to read as follows:

"(6) The Commission is empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers subject to the acts to regulate commerce, and air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938, from using unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce."

(b) Section 2 (a) of the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 182), is amended by striking out:

(1) paragraph (3) thereof; and  
(2) paragraph (5) thereof.

(c) The title of such act (7 U. S. C. 181, et seq.) and the title of the act where it appears in the preamble of the act of August 14, 1935 (49 Stat. 648), are amended by striking out the words "livestock products, dairy products" and the words "poultry products, and eggs."

(d) Section 2 (b) of such act (42 Stat. 159; 7 U. S. C. 183) is amended by striking out the words "and meat-packing industries, whereby livestock, meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs," and inserting in lieu thereof the words "industry, and whereby livestock."

(e) Title II of such act (42 Stat. 160; 7 U. S. C. 191–195) is repealed.

(f) Sections 401 and 403 of such act (42 Stat. 168; 7 U. S. C. 221, 223) are amended by striking out, in each such section where—

ever they appear, the word "packer," and the words "packer or any live poultry dealer or handler."

(g) Section 502 (a) of such act (49 Stat. 648; 7 U. S. C. 218a (a)) is amended by striking out the words "packers as defined in title II of said act and railroads", and inserting in lieu thereof the words "a railroad."

(h) Section 502 (b) of such act (49 Stat. 648; 7 U. S. C. 218a (b)) is amended by inserting, immediately after the words "this act", the words "or the Federal Trade Commission Act."

(i) Section 503 of such act (49 Stat. 649; 7 U. S. C. 218b) is amended by striking out the first sentence thereof.

Mr. JOHNSON of Texas. Mr. President, on behalf of the acting minority leader, the Senator from Illinois [Mr. DIRKSEN], the Senator from Wyoming [Mr. O'MAHONEY], and myself, I send to the desk a proposed unanimous-consent agreement and ask for its adoption.

The PRESIDING OFFICER. The proposed agreement will be read.

The proposed unanimous-consent agreement was read, as follows:

#### UNANIMOUS-CONSENT AGREEMENT

*Ordered*, That during the consideration of S. 1356 (Calendar No. 706) to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes, debate shall be limited as follows:

Two hours upon any substitute and 30 minutes upon any other amendment, motion or appeal, except a motion to lay on the table, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 2½ hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. HOLLAND. Mr. President, I object.

The PRESIDING OFFICER. The objection is heard.

#### ORDER FOR RECESS UNTIL 11 O'CLOCK A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in recess until 11 o'clock a. m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ACTION OF TEXAS RAILROAD COMMISSION IN REDUCING ALLOWABLE OIL FOR APRIL

Mr. JOHNSON of Texas. Mr. President, an item has just come in over the

news ticker which darkens an already bleak picture. It reads as follows:

AUSTIN.—The Texas Railroad Commission today slashed the State's oil allowable for April 120,203 barrels daily, and set producing days on a new alltime low schedule of 8.

The total allowable was pegged at 2,444,571 barrels daily.

The Texas Railroad Commission meeting today has cut the oil allowable in April to 8 days—an alltime low schedule.

Mr. President, the Texas Railroad Commission acted as it did out of grim necessity. Under all the circumstances it had no choice.

This news further accentuates the urgency of the situation. It is to be hoped that we will soon get firm action on the important issue of imports.

#### WHAT BARTER VOTE MEANS

Mr. HUMPHREY. Mr. President, I want the record clear as to what the Senate has done today in voting, 44 to 39, against expanding the Department of Agriculture's barter operations.

We have given a green light to halting barter.

We have gone on record against trading surplus agricultural commodities for which we lack a cash market, and which are costly to store, for materials of which our country lacks enough, and which are less expensive to store.

The majority of the Senate has rejected an opportunity to save upwards of \$100 million a year in storage costs.

The Senate rejected the experienced advice of American business firms engaged in grain exports, and has taken instead the advice of the politicians of the Department of Agriculture which, to say the least, have a sorry record of marketing operations.

The Senate has in effect said protection of foreign producers is more important than protection of our own farm producers.

The majority of those present and voting has turned down a chance to aid our farm producers and mineral producers at the same time, by restricting barter that would have automatically moved more of the mineral supply into tightly locked stockpiles and thereby bolstered prices for supplies remaining on the free market.

In view of all the confusing distortions used to bring about this result, I am not surprised by the result.

The record is quite clear as to what this action, unless it is reversed in the other House, will do to future barter operations by the Department of Agriculture.

All the legislative history and hearing testimony show the Department, under existing law, has imposed restrictions virtually halting barter operations.

The entire purport and objective of the proposed legislation was to tell the Department the Senate wanted that action reversed—that Congress wanted barter resumed.

The Senate has now said just the opposite. It has put the stamp of approval on restrictive regulations imposed by a Department official who has openly said he is against all barter. Approval of his

policies can only be accepted by him as a mandate to quit using one of the effective tools Congress has created for him in the past for disposal and sale of farm surpluses.

In view of the vote, it will be significant to see in the future which Members of this body complain about the surplus they refused to help move—and which Members of this body complain about the cost of storage for farm commodities they refused to help curtail.

It is also interesting to see who is really interested in supporting private American trade and who expressed a preference for keeping marketing in the hands of the Department of Agriculture, over the objection of the private trade.

I regret that by our action we have formally sanctioned executive repudiation of legislative judgment.

That is what really happened. For several years Congress has made it clear it wanted the Department of Agriculture to engage in barter. The Department decided otherwise. When the Senate was called upon to reaffirm the intent of past legislation, it concurred in the Department's defiance of expressed legislative intent.

Where this can lead no one can tell, but we may have opened a Pandora's box we shall live to regret.

It is particularly regrettable that so much misinformation was used in bringing about this result, misinformation apparently supplied, in large part, by the Department of Agriculture.

To help keep the record straight, Mr. President, I ask unanimous consent to have printed in the Record two telegrams I have just received from responsible American businessmen objecting strongly to erroneous information used in the Senate debate yesterday as part of the effort to reject barter.

There being no objection, the telegrams were ordered to be printed in the Record, as follows:

NEW YORK, N. Y., March 20, 1958.  
Senator HUBERT H. HUMPHREY,  
Senate Office Building,  
Washington, D. C.:

MR. AIKEN, we note from the CONGRESSIONAL RECORD of yesterday, implied that four-tenths percent discounts were being allowed under barter to commodity buyers in Western Europe. When barter was operating freely discounts never approached four-tenths percent and averaged closer to 1 to 1½ percent. What is occurring today is strictly academic since barter virtually does not exist, and certainly none is going to Western Europe. Furthermore, under present restrictions, barter under any discount is extremely dangerous and undesirable. Even when discounts averaged 1 to 1½ percent they were discounts allowed to commodity people such as ourselves and did not determine how we sold abroad. Sales prices to our customers abroad were determined by competition and not by discounts received. Furthermore, in many instances, CCC prices in this country were out of line with free-market prices here, in which cases discounts were necessary to bring CCC prices in line, as of course barter grain had to be purchased from CCC stocks. Barter, therefore, always tended to give a higher return to CCC for commodities and also tended to keep prices higher in this country.

JACK MCBRIDE,  
Standard Milling Co.



NEW YORK, N. Y., March 20, 1958.

HON. HUBERT HUMPHREY,  
United States Senate,  
Washington, D. C.:

According to the CONGRESSIONAL RECORD, I understand Senator Aiken asked you the question whether or not you would still be in favor of barter if you realized that American commodities were being sold abroad at discounts ranging from 4 to 10 percent. The normal discounts to cover the exporter accepting responsibility to export the agricultural commodities in exchange for the material that is imported is 1 to 1½ percent. Any discount below this level is on account of the restrictions that have been put on the movement of grain for export through barter transactions by the Department of Agriculture. Should the present amendment to Public Law 480 be approved by the Congress this discount would most likely be 1 percent or less and as you know the grain exporter is obligated to buy the grain from the Commodity Credit Corporation whereas many times free-market grain is offered at a cheaper price than the Commodity Credit prices. Furthermore this discount enables the American exporter to sell American grain abroad in competition with Argentina, Australia, and other competitive grain exporting countries.

CROFTON GRAIN CO.,  
CHARLES B. CROFTON.

#### BIENNIAL CONVENTION OF NATIONAL FARMERS UNION

Mr. HUMPHREY. Mr. President, the National Farmers Union held its biennial convention in Denver, Colo., March 16-20. Among the speakers heard by the delegates and visitors from 25 States was the former President of the United States, the Honorable Harry S. Truman; the Nobel Prize winner and first secretary general of the Food and Agricultural Organization of the United Nations, Lord John Boyd Orr; and the capable and energetic Washington columnist, Doris Fleeson.

This was a great occasion, Mr. President, and I know that many of this body wish that they might have been present. One of our colleagues in particular, the distinguished junior Senator from Colorado [Mr. CARROLL], had a special right to be proud that the national convention was held on his home ground.

Our colleague sent a telegram to President James G. Patton of the National Farmers Union in connection with President Truman's appearance in Denver. I ask unanimous consent that the text of the Senator's telegram be printed at this point in my remarks, together with a message which I sent to the Farmers Union.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MARCH 18, 1958.

PRESIDENT JAMES G. PATTON,  
National Farmers Union,  
Denver, Colo.:

I am honored to be permitted to join with you and my friends of the Farmers Union in expressing on this historic occasion our heartfelt gratitude and deep sincere thanks to a great American.

Much has been written about Harry Truman the President, the man of the people.

Less has been written about Harry Truman the scholar, the student of American history and American tradition.

Yet historians will conclude that Harry Truman the President is inseparable from Harry Truman the scholar. The scholar shaped the statesman.

It was Harry Truman's profound understanding of the Constitution and Bill of Rights that inspired his staunch advocacy of freedom in all its forms.

It was his deep sensitivity to the nature of the American democracy and human dignity that stimulated his passion for equality of opportunity regardless of race, religion, color, or station in life.

The long struggle between liberty and tyranny was intimately studied and comprehended by Mr. Truman. This knowledge was the root of his determination to unite free nations against aggression.

Mr. Truman's understanding of the Constitution's general welfare provision and its application to American progress and American family life guided his hand in the proper exercise of governmental leadership in economic and social progress.

Because Harry Truman was a scholar of the past he was able to master the present and prepare for the future.

Because as a scholar he was sensitive to the American heritage, he was able to act with confidence, with boldness, with vision. And it is a tribute to his wisdom that on no major issue affecting the security or economic stability of this Nation did Harry Truman make an unwise decision.

Harry Truman's era in the Presidency has become a symbol of triumph of the American democratic way of life for now and forever.

JOHN A. CARROLL,  
United States Senator.

MARCH 18, 1958.

JAMES PATTON,  
President, National Farmers Union,  
Denver, Colo.:

Greetings and good wishes to farmer-delegates gathered for the annual convention of the National Farmers Union. Your energetic and effective work in behalf of farm families is producing results in the Congress, as our great victory last week proves in making sure we hold the line until we can provide an improved farm program. Know you will hear an inspiring message from one of greatest friends farmers ever had in the White House, our former President Harry S. Truman. Your presentation of an award to President Truman for his distinguished service to agriculture is a deserved tribute, carrying with it the deep gratitude of thousands of farm families. They have found out once more what it is like to try and exist in the face of Republican neglect and unconcern in highest counsels of our Government. That never happened under Harry S. Truman. The only way you can keep it from happening in the future is to make sure you have friends of agriculture in the White House.

HUBERT H. HUMPHREY.

Mr. HUMPHREY. President Truman delivered an effective, hard-hitting speech on farm policy. I ask unanimous consent that the text of that address, delivered on Tuesday, March 18, be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HARRY S. TRUMAN, FORMER PRESIDENT OF THE UNITED STATES, TO THE BIENNIAL CONVENTION OF THE NATIONAL FARMERS UNION, TUESDAY, MARCH 18, 1958, SHIRLEY-SAVOY HOTEL IN DENVER, COLO.

I am going to talk to you about agriculture and politics. And if you think those two things don't go together, you're decidedly off the beam.

Informed farmers have a saying to the effect that farm prices are made in Washington. That is just as right as can be. When you have an administration in Washington against the farmer, then the farmer is going to have a very bad time. On the other hand, when you have a friendly and sympathetic administration that works for the farmer's welfare, it is possible to improve the farm situation. We proved that conclusively during the 20 years from 1933 to 1953.

The equation in this business of agriculture and politics is just as simple as it can be. There are two major political parties in this country. One of them is the Republican Party, and it is bad for the farmers. The other is the Democratic Party, and the Democratic Party is the farmer's friend and his best hope for the future.

I stood on the platform at the Democratic Convention in Philadelphia in 1948 and said that any farmer who voted Republican ought to have his head examined. That was true in 1948, and it was true again in 1952 and 1956. It is still true and will be true again in 1960.

I think the farmers have finally found this out. I think they have learned their lesson. They said, "I like Ike." They voted for Ike and got Ezra. And after 5 years of Ezra Taft Benson there are very few American farmers who have not come to their political senses. I don't feel the least bit sorry for your present predicament. You brought it on yourselves, after I'd warned you.

But you ought not to blame Secretary Benson too much. After all, he is merely carrying out the policy of Eisenhower. Both of them are merely carrying out the policy of the Republican Party—the special interest people who really pull the strings in the Republican Party. If you want to know who they are, just take a look at a few figures. Farmers' prices have been going down, and consumer prices have been going up. The spread has been getting larger and larger, and the farmers' share of the consumer dollar has been getting smaller and smaller. Now the big question is who has been getting the difference. When you find the answer to that, you will have solved the mystery. Let's look at a few figures.

In 1952, the last year of the Democratic administration, the farmer got 47 cents out of every dollar spent by the consumer for food bought in retail stores. In 1957, the farmer got only 40 cents out of every retail dollar. That's 7 cents more that the processor and middleman took out of the food dollar, and 7 cents less for the farmer.

The consumer has not benefited by this. He paid 2 percent more for food in 1957 than he did in 1952. And the farmer has lost, too, not only in relation to the middleman, but absolutely. Farm prices went down 15½ percent from 1952 to 1957.

But if you turn to the profit figures of the food processors and manufacturers, you can see, right away, who has been winning with the Republican farm program under Benson and Eisenhower. The profits after taxes of manufacturers of food products and related products rose remarkably. In 1956, their profits were 36 percent higher than they were in 1952 (taking profits as a percentage of sales), and some of the big companies were way above even this 36-percent increase. The profits of the Big Three dairy companies (Borden's, National Dairy, and Beatrice Foods) were up an average of 55 percent in 1956 over 1952. The Big Four meatpackers (Cudahy, Wilson, Armour, and Swift) were up 121 percent for the period, taking the average, with only 1 of the 4 showing a decline. The grocery chainstores were doing even better. Safeway's profits were 246 percent more in 1956 than they were in 1952. And the cereal companies, like Quaker Oats, were making tremendous gains as well, with their profits rising 50, 70, and in 1 case

even 200 percent. And all these figures are for profits after taxes.

Well, that's where the money is going, if you want to know. Lower prices for the farmer, higher prices for the consumer, a bigger share of the food dollar for the processor and the distributor—and whopping big profits for the big packers, the big dairies, and the big chainstores.

I think those figures tell the story. I think they show who pulls the strings in the Republican Party and in the Department of Agriculture. Do you think they run the Department of Agriculture for the benefit of the farmers, or for the benefit of the meatpackers and processors?

Never before can I remember when we had skyrocketing prices for the consumer and a depression at the same time. It takes an administrative genius at the top of the Government to accomplish that.

Does Ezra Taft Benson listen to the farmers, or does he listen to the United States Chamber of Commerce and the National Association of Manufacturers?

I have often said that the Republicans try to turn the clock backward. They have given us conclusive proof of that all over again in the way they have blocked a farm program for the benefit of the farmer. The Democrats had a good program. It was not perfect, and we were still trying to improve it. But it was serving the farmer well and serving the country well.

Now I want to make this point. Our program had been worked out over a period of years on the basis of hard experience. Go back a number of years with me. This, you know, is not the first Republican farm depression. We have had a number of them. We had one in the 1890's, one in the 1920's and early 1930's. The Congress passed some bills then to help the farmers, and they were vetoed by Republican Presidents. History has a way of repeating itself. I shouldn't be surprised to see another Republican President veto a farm bill this year. Ike sounds more like an old-time Republican President every day.

I saw a sign at a meeting in Minnesota not long ago that said, "I like Ike, but I wonder if he likes me." And there's that other one that they are reporting from Detroit: "I like Ike, but I'd rather have a job."

Now to get to this farm program that we worked out when we had Democratic Presidents who would cooperate with the Congress to help the farmer. We found out that by helping the farmer with the orderly production and marketing of his crops, the supply could be kept in reasonable balance with demand. We found that by supporting farm prices at reasonable levels we could help him to attain a fair share of the national income. The story is a long and complex one. The essence of it is written in what happened to farm income in the years from 1933 to 1952. In that period, the net income of the average farmer increased 10 times.

This was not a simple program—this farm program of the New Deal and the Fair Deal. It was big and complicated and had many parts. It was difficult to administer. But we found at least one man who could make it work. He is right here with us now—Charlie Brannan.

I always knew Charlie was a good Secretary of Agriculture. He was efficient and honest, and he knew his job and he did it. There was a time when some people disagreed with me in that opinion. But Ezra Taft Benson has changed all that. The worst critics Charlie Brannan ever had would be very glad to have him back now.

In 1953, the Republicans came in and started trying to tear down everything we had done. And they have very nearly succeeded. How well they have succeeded only the farmers can say. Secretary Benson started right out to lower support prices,

and he has been lowering them right along. He is still at it. He lowers support prices, and farm income goes down. He lowers support prices, and farm surpluses pile up. He lowers support prices again, and consumer food prices go higher and higher. He lowers support prices again, and the processors' profits skyrocket. He lowers support prices again, and the cost to the Government goes out of sight. You can hardly believe all these things would be possible at the same time, but this man is a real magician. He's in a class by himself.

To top it all off, no matter what happens, Mr. Benson blames it all on what the Democrats did before he took office. Of course, he is wrong about this. He has been wrong all along in his and the Republican Party's farm program. The simple test is this. How did the farmers get along before Benson, and how are they getting along now under the Republicans? How did the farm program work under the Democrats, and what are the results under the Republicans? How could Benson take the program that was working well under Charlie Brannan and do to the farmers all the things he has done to them? I don't know how, but I don't believe it was an accident.

Let's take a look at some figures that show how the farm program worked before Benson, under a Democratic administration, and how it has worked under the Republicans.

Let's take net farm income first. In 1951, it was \$16 billion. In 1952, it was \$15 billion. In 1957, it was only a little over \$12 billion, a drop in the annual return of around \$4 billion, and since 1951 the cumulative loss to the farmer has amounted to almost \$20 billion.

And while the farmers' net income was falling, year after year, the cost of the farm program to the taxpayer was rising, year after year. Do you remember, back in 1952, how the Republicans were saying that our farm programs cost too much? How the waste and extravagance of the Democrats had to be stopped? How the burdensome surpluses had to be eliminated? If there was one thing the Republicans promised the country in 1952 it was a cheaper farm program. But what was the result? If I didn't have the figures before me here, I would hardly believe this.

The cost of the farm program under Eisenhower and Benson has doubled, tripled, and quadrupled. Charlie Brannan ran the Department of Agriculture at an average cost of about a billion dollars a year. Today under Ezra Taft Benson, it will cost the taxpayer \$5,300,000,000 a year—an increase of around \$4 billion. And Government farm surplus stocks are now at a level of about \$7 billion.

So here is the net result of the Eisenhower-Benson regime: Loss to the farmer, \$4 billion a year; loss to the taxpayer, \$4 billion a year; total loss to the Nation, \$8 billion a year. Multiply that by 8 years, and you'll have a rough idea of what is meant by Republican economy.

Benson has cost us so much we ought to call him "Expensive Ezra." And he is going to cost the Republicans something more too. He is going to cost them the elections in 1958 and 1960.

But, as I have said before, it is wrong to blame this monstrosity of a program on Benson alone. This is the Republican farm program. If you could get rid of Benson, you probably wouldn't change a thing. This is a Republican program, and the program of the big business interests who control the Republican Party. It is their program, because they believe the only answer to the problems of American agriculture is to put it through the wringer—to reduce the number of farmers and then let big business dominate those who are left on the land. This is what is happening, behind the

smokescreen of propaganda that emanates from Washington.

Now let me point out something else. The Republican farm program is perhaps the most conspicuous failure of this Republican administration, but it is not the only one. Our big-business government has been just as wrong in other domestic policies. Its high interest rates and tight-money policy have run our entire economy into an entirely unjustifiable recession. This Republican administration has been just as wrong in its foreign policies and defense policies. This Republican administration, through blundering, mismanagement, and refusal to face the facts, has led our country into a position of great international peril.

The great aim of this country should be peace, and to keep the country at peace, one of the requisites is that we should have strong defenses—stronger than those of our great antagonist in world affairs—Soviet Russia. If Russia attains greater military power than we have, if Russia can impose its will on ours by the threat of using superior force, our freedom will be at an end.

Most citizens, I suppose, believed that this Republican administration was taking good care of the defenses of the country. I believed that they were neglecting them, from the day in 1953, when they cut \$5 billion off the planned expansion of the Air Force, but I could not get many people to share my concern. Then last fall the Russians launched an earth satellite, using rockets of tremendous power, months before we were able to place even a tiny satellite in orbit around the earth. This fact showed, more clearly than anything else, that our defense effort was not keeping first place in the world. During the period of the Eisenhower-Republican complacency we had been cutting our defenses, and the Russians had been doggedly and secretly forging ahead.

But this failure is only part of the total record of failure that this administration has written in international affairs. Our country used to be honored and respected overseas—but today our allies are slipping away from us and bitter criticism is supplanting the spirit of unity that formerly held the free nations together in the face of common danger. Our peril now is that in time of crisis, such as we had forced upon us by the enemy at Pearl Harbor and in Korea, we may fall to obtain the united support of all the free nations. If we have to go it alone against the deadly foe of freedom, the sacrifices and burdens we have undergone hitherto, during this century of strife and conflict to protect our Nation, will seem trifling and insignificant by comparison.

Weakness begets danger. A slackening of defense programs and the deterioration of our international alliances make us weaker in the eyes of the Russians. And so the threats to peace are multiplied by the negligent administration of our foreign affairs. The danger from Communist Russia is a constant peril to us, no matter what we do, but our own Government ought not to aggravate it by weakening the position of our Nation in the world. And yet this is the net result of the wrong policies which the Republican administration in Washington has pursued.

If you want to improve the welfare of the farmer; if you want to restore prosperity; if you want to strengthen our defenses; if you want to repair the injury that has been done to the international security of the country; there is one clear-cut thing you can do. You can vote for a Democratic Congress in 1958, and for a Democratic President in 1960.

#### THE FARM PROBLEM

Mr. HUMPHREY. Mr. President, the United Press performed a public service recently by presenting a series of three



articles to newspapers throughout the country giving the pros and cons of farm issues confronting the country.

I wish to commend this wire service for seeing that opportunity was provided for differing viewpoints to be presented, to counteract the one-sided story so often being given the public these days.

The series included an opening article by a United Press reporter, who covers the Department of Agriculture, an article which I prepared at the request of the United Press, and an article written by Secretary of Agriculture Benson.

I ask unanimous consent that the three articles in question be printed at this point in the RECORD—the opening article from the News-Gazette, of Champaign-Urbana, Ill., published March 4; my article from the St. Paul Dispatch of March 5; and Secretary Benson's article from the Boston Traveler, published the same day. All three of these newspapers published the entire series, as did hundreds of other newspapers.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Champaign-Urbana (Ill.) News-Gazette of March 4, 1958]

**FARM OUTPUT UP AS INCOME DROPS; SERIES TELLS DILEMMA, PROPOSALS**

(EDITOR'S NOTE.—This is the first of three dispatches on the farm problem, which affects every American who raises food or fiber, buys them, or pays taxes. Tuesday's dispatch, by the United Press reporter who covers the Agriculture Department, tells what the problem is. Subsequent dispatches, written by Secretary of Agriculture Ezra T. Benson and Senator HUBERT H. HUMPHREY, Democrat, Minnesota, will tell how the administration and its critics propose to solve the problem.)

(By Gaylord P. Godwin)

WASHINGTON.—The Government is spending about \$5 billion a year to help farmers.

In spite of this massive transfusion from the Treasury, agriculture remains a chronically sick industry. The average per capita income of the 20 million Americans who live on farms is less than half that of nonfarm families.

The farm problem boils down to the fact that agriculture production continues to outrun consumption—even though the total population is rapidly increasing while the farm population steadily decreases.

The reason is simple: A technological revolution has been going on in farming. The tractor has taken the place of the mule. Many farm operations once laboriously performed by hand—like picking cotton—can now be done with fast-moving machines. Farmers have better seeds, better fertilizers, better chemicals to combat plant insects and diseases. They have greatly improved methods of raising livestock.

All this had led to a sharp increase in farm productivity.

The technological revolution has frustrated the Government's efforts to curb farm production by cutting back the number of acres under cultivation.

Where do we go from here?

The Eisenhower administration favors a more flexible system of Government price supports for basic crops—cotton, corn, wheat, rice, peanuts, tobacco, and dairy products. Farm law now requires that the Government support the prices of these crops—mainly by taking surplus supplies off the market at a level of at least 75 percent of fair price parity.

The administration has asked for authority to lower the support level of 60 percent of parity in some cases. Farmers might get less per bushel, but they could sell more bushels.

Farm-State Congressmen are pushing several alternative solutions. Some want high price supports and strict planting restrictions. Some favor a two-price plan under which commodities sold on the domestic market would pay direct subsidies to farmers to make up the difference between the market price and a fair price.

One prediction can be made about whatever new "farm program" emerges from this controversy: It will be costly to the taxpayers.

Since the end of World War II, the Government has sustained a net loss of \$4,667,500,000 on farm price support operations. At present, it has an additional \$7,200,362,000 tied up in surplus farm commodities which the Government has bought or is holding under loan in warehouses.

These totals do not include the \$1.783 billion which has been paid to farmers during the past 3 years under the Soil Bank plan of taking land out of cultivation. Nor do they include the billions that have been spent to aid farmers in soil conservation practices, agricultural research, marketing studies, and export subsidy operations.

Who are the beneficiaries of this Government aid?

Secretary of Agriculture Ezra T. Benson says the lion's share goes to big commercial farms, and that small "family" farms get little if any benefit from price support programs.

While some may dispute this, it is a fact that the technological revolution has brought a sharp trend toward large commercial farms, many of which specialize in a single price-supported crop.

Of the 4,738,000 farms in this country, 56 percent qualify as "small" operations—they have market sales of less than \$2,500 a year. The remaining 44 percent are classed as "commercial" farms.

More than 90 percent of the farm products put on the market last year came from the commercial farms.

Some agricultural experts believe that, no matter what temporary relief the Government may provide, small farmers eventually face the choice of joining the trend toward big mechanized farms or getting off the land.

Many of them have already left the land. The farm population in 1950 was 25 million. In 1957, it was 20 million, a drop of 20 percent in 7 years. Farm workers in 1947 numbered 10,400,000. Ten years later their number was 7,600,000, a drop of 26 percent. Most of the farmers who left the land and went to town were small or part-time farmers.

This drop in farm population makes per capita farm income look good, after a fashion. The Agriculture Department recently announced that the 1957 per capita income of farmers was a record \$993, up 10 percent from 1956. This was possible because of a sharp drop in farm population—leaving fewer farmers to participate in the total kitty.

Even at the record 1957 lead, however, per capita income of farmers doesn't compare well with the \$2,050 per capita income of the nonfarm population.

The overall "parity ratio" which measures farmers' purchasing power in terms of prices received and prices paid is 82 percent at present. It was 107 percent in 1951.

[From the St. Paul (Minn.) Dispatch of March 6, 1958]

**PROTECT FARM PRICES—HUMPHREY**

(Last of three articles)

(By HUBERT H. HUMPHREY, United States Senator from Minnesota)

WASHINGTON.—Clearly our Nation needs a new and different farm policy and needs it now.

What should be its broad outlines?

First, a comprehensive farm program covering all major commodities with the recognition of the interdependence of agricultural production. It is a well established principle of agricultural economics that low feed prices produce low hog and beef prices. Furthermore, the price of perishable commodities is directly related to those known as storable, like grain.

Second, agricultural policy must be based upon these accepted and known relationships. It is imperative that the Nation have adequate food and fiber reserves—the level of these reserves must be related directly to the growth in population and the tremendous commitment of our Nation in the field of foreign policy and national security. This has not been done.

National security requires effective and constructive use of food and fiber. Our foreign economic policy must include within it long-range commitments of food and fiber supplies to our allies and the uncommitted and underdeveloped nations. Food can be force for peace and freedom. There must be additional emphasis upon conservation, both short and long term. The conservation reserve program needs to be doubled. Broad and effective conservation measures must be integrated with overall natural resource development and management programs.

A sound farm policy should be based upon a rising net income for agriculture—parity income. The Secretary of Agriculture should be authorized to utilize several means of attaining parity income and protecting decent and fair farm price levels. What is needed is flexibility of method in a farm program, plus determination on the part of the Secretary of Agriculture to utilize every legitimate means at his command to insure orderly marketing and a stable price structure.

Add to this farm credit facilities adequate for the cost of maintaining farm operation and you have the broad outline of a constructive farm policy that can work both for the benefit of the farmer and the Nation.

The Eisenhower-Benson farm policy has failed. This failure is due not only to weaknesses in the law but also faulty and ineffective administration. The efforts of Congress to strengthen the agricultural policy were overridden by a Presidential veto. The attempts of friends of agriculture to improve the administration of agricultural policy have been resisted and rebuked by the Secretary of Agriculture. The results speak for themselves.

Here is the sorry record.

Realized net income of farm operators dropped from \$14,300 million in 1952 to \$11,500 million in 1957. During the 5 years Secretary Benson has been in office, the accumulated loss in net farm income has been over \$14 billion. The annual rate of expenditures from the Federal Treasury as shown by the budget request sent to Congress this spring totals over \$5 billion as compared with slightly over \$1 billion in 1952.

Benson's policies have moved farm families off the farm at a rate of 100,000 per year. There are 500,000 fewer farm families on the farms today than when he took office. The family farm income from all sources, non-farm as well as farm, measured in 1957 dollars, has dropped by over \$500 per year—from \$3,000 in 1952 to \$2,500 in 1957. Farm mortgage indebtedness is up approximately \$4 billion. Farm surpluses are still huge. Farm prices are still low. And farm income is at recession levels.

There is the record.

The administration farm policy was outlined in a speech early in February 1953 in St. Paul. Secretary Benson asked for a reduction of price supports to a point just above undue disaster. Doing this, he said, would lead to lower consumer food prices, reduce Federal expenditures for agriculture, and ultimately improve farm income. He claimed further that it would strengthen the

family farm unit and get the Government out of agriculture.

The Secretary has at least kept his word on one of these promises—at every opportunity he has recommended lower price supports. He and the President are now asking Congress for authority to drop the price-support levels to only 60 percent of parity. Secretary Benson has insisted that reducing price supports would reduce production, despite statistical evidence to the contrary. With lowering of price supports, production has gone up. Surpluses have mounted despite tremendous disposal programs through foreign aid, relief, and overseas sales.

Yes, the administration farm program has not only failed the farmers, but it has failed the public, and socked the taxpayers.

[From the Boston (Mass.) Traveler of March 5, 1958]

#### BENSON WEIGHS PLANS TO SOLVE FARM PROBLEM

(By Ezra Taft Benson, Secretary of Agriculture)

WASHINGTON.—We are moving steadily toward sound solutions to the farm problem. This is evident in the gains that have been made.

Income per person on farms last year—including income from all sources—was the largest in history.

The level of living of families on farms today is higher than ever before.

Farm exports for the past 2 calendar years have been at an alltime peak.

#### SURPLUS AVAILABLE TO HUNGRY PEOPLE

The surplus production of American farms is being made available to hungry people at home and abroad.

The downtrend in prices which began early in 1951 has been stopped. Prices received by farmers in January were 4 percent above a year earlier and 10 percent above 2 years earlier.

The buildup of surpluses which began in fiscal year 1952 has been reversed. Government investment in surplus farm products owned and under loan has dropped about one-sixth in the past year and a half.

We all realize, however, that despite these gains agriculture is still facing difficult problems.

Farmers are hurt by the cost-price squeeze, by smaller and smaller acreage allotments and by the uneconomic diversion of acres from some surplus crops into other crops. They are hurt by unrealistic price supports which curtail markets and open the doors to competitive products.

Families on the 54 percent of our farms with cash incomes of less than \$2,500 get little benefit, if any, from the various price-support programs.

To deal with these difficulties we need to continue to push forward. We need to move along the lines of market expansion, increased freedom for farmers to make their own decisions, and realistic aid to people in underdeveloped rural areas.

#### AIMS PRESENTED TO CONGRESS BY IKE

These are the aims of the farm food and fiber program presented to the Congress by President Eisenhower in January.

Here is what the program will do:

It will develop bigger markets, thus putting our abundance to better use. The Agricultural Trade Development and Assistance Act has been a major factor in our widening report markets.

We have asked that it be expanded for a year with an additional appropriation of \$1.5 billion.

Research on new uses of farm products and more effective marketing is vital to agricultural progress. Since 1953 appropriations for agricultural research have increased 95 percent, and we are asking for a further increase.

The program will allow farmers more freedom to use their productive resources.

We are seeking authority to increase acreage allotments that now are so small as to cripple farm efficiency. We urge a revision and wider range of price supports to expand markets.

The program will push forward the necessary long-range conservation effort. We propose to strengthen the conservation-reserve program of the Soil Bank in the interests of overall production adjustment.

The program will help provide opportunity for economic betterment in underdeveloped rural areas. We have urged that the rural-development program, now operating in about 100 counties in 30 States, be given increased emphasis.

The hope is for bigger markets, more freedom for farmers to produce, sound conservation and production adjustment, and special help to those on small low-income farms.

These are vital steps that will lead to a sound solution of the farm problem and the development of a truly prosperous, expanding and free agriculture.

#### NATIONAL LIBRARY WEEK

Mr. HUMPHREY. Mr. President, our country has many weeks set aside to emphasize a great variety of causes and products. I am sure that there are not enough weeks in 10 years to accommodate all of them, no matter how worthy they may be. However, Mr. President, we are now in the midst of a week that certainly deserves special consideration and attention from all of us. Last Sunday was the beginning of National Library Week. There are few causes or services of more benefit to our country or civilization. Mr. President, our libraries stand as great banks of knowledge—as custodians of the findings that man has painstakingly accumulated through the ages. Without them we would soon become blind to our past, and in so doing, place a severe limitation on our future.

Libraries are believed to be almost as old as civilization itself; and while they were little more than collections of drawings in the beginning, by the time of Assyrian and Egyptian culture the libraries included literature. To the Romans we owe a debt of gratitude for the establishment of the first public libraries and the practice of making books available to those who could not ordinarily afford to purchase the costly volumes. Today, public as well as private libraries play a role of critical importance in our society. Their function of opening vast avenues of learning is being emphasized during National Library Week, and rightly so.

Mr. President, it is my conviction that our libraries and the services they offer should be greatly expanded and extended. Never before has this country had a greater need for the wisdom for which our libraries serve as repositories. It is incumbent upon us to see that all of our people have ready access to the books that have stood the test of time as well as to those authored by our contemporaries. Far too often many of us confine our reading to what is happening today and to speculation as to what will occur tomorrow. This is not to detract from the irreplaceable value of our newspapers and magazines, but rather to emphasize the fact that we also need books if we are to keep our thinking in balance.

Mr. President, I would like to express my thanks and best wishes to the thousands of librarians in every part of this Nation. I want to make it clear that I speak of the rural and village librarian as well as the grammar school, high school, college and university, city, public, and private librarian. They are all teachers, regardless if their libraries boast 500 or 5 million volumes. They go about their assigned task in a quiet and efficient manner, and through their efforts the arts and sciences and the great works of man are unveiled to countless thousands who would otherwise be passed by. Mr. President, I heartily endorse National Library Week, and the objectives that it emphasizes.

#### ACCELERATION OF CONSTRUCTION OF PLANNED LOCAL PUBLIC WORKS

Mr. FULBRIGHT. Mr. President, these are momentous times, and the Senate is a very busy place. Yesterday was a particularly busy day for me and—according to newspaper accounts of domestic events—was a busy day for others as well. The President met with a conference of State governors to discuss ways and means of alleviating the distress of the current recession. The House of Representatives approved a Senate bill, an antirecession measure, to increase the construction of new homes. The Senate, among many other activities, was the site of hearings to consider my bill to accelerate the construction of local public works already planned with Federal advance planning funds.

In the midst of all these momentous events, Pogo, a comic strip o'possum created by Mr. Walt Kelly and published in the Washington Evening Star, was expressing his frustration with the attitude and pronouncements of his companion character, one Albert the Alligator.

I mention this comic strip situation because of certain events which have occurred in recent days. On Monday, March 17, I introduced a bill to aid the construction of planned local public works, and announced that hearings would be held on the bill on Wednesday, March 19. The executive branch of the Federal Government, meaning President Eisenhower's appointees, were immediately notified that the bill was introduced and that hearings had been scheduled for the 19th of March.

Yesterday, March 19, these hearings began at 2 p. m., with the administration's witness in attendance. At approximately the same moment—2 p. m.—the bluestreak edition of the Washington Daily news was on the stands with a headline reading "The moves to speed up jobmaking projects"—and the accompanying story relates a Presidential action to release \$75 million of Congressionally authorized funds to accelerate projects identical to those contemplated by my bill, S. 3497.

One of the first statements made by the administration witness in commenting upon my bill—shortly after 2 p. m.—was that the bill was unnecessary because the President had directed him to ignore existing policy restrictions and to proceed at full steam to approve projects



already contemplated by Congressional authorization. To sum up the situation, I introduced a bill to accelerate economic recovery and the President immediately reacted by making available funds which he has had available since 1955—3 years before the current emergency became a political liability for the Eisenhower administration.

Now I will get back to Pogo, the comic-strip character. For those Members of the Senate who may not be familiar with this very literate commentary on national affairs, I will relate certain matters in the background of last night's strip and quote certain portions from it. Pogo, the opossum, very much like the Senator from Texas in recent weeks, has attempted to suggest to Albert, the alligator, that certain courses of action are necessary and desirable. Every suggestion that Pogo has made has been accepted immediately by Albert as something already conceived and desirable beyond question.

Last night's sequence contains the following exchange:

Pogo: "Doggone, Albert, I'm givin' out ideas an' you claims they's yours. Don't you think of nothin' alone ever?"

Albert: "I thinks of nothin' alone constantly, friend."

Mr. President, this exchange between Pogo and Albert seems to me to characterize perfectly the attitude of President Eisenhower toward the present recession and toward the Democratic leader of the Senate. Time and time again the President reiterates the view that there is no urgency—that things will get better in March—and at the same time he points with pride to his deep and fervent concern to combat a recession that does not really exist.

Perhaps Albert paraphrases the true situation with Ike, when Albert says that "I thinks of nothin' alone constantly." Ike has never denied, in fact he apparently takes pride, that his team does most of the thinking for his administration. I have only one request to make of Ike—the team—and the whole Eisenhower administration: Please make up your minds. If you think the current recession requires action, say so unequivocally. If you think that no action is required, say so unequivocally. If you are uncertain, say so unequivocally.

Mr. President, the confusion, indecision, and equivocation, so evident in recent actions of the executive branch, are in one sense comic—but in another sense are both tragic and dangerous. On March 8, the President wrote Senator KNOWLAND and Representative MARTIN urging higher interest rates on Rural Electrification Administration loans—this was cited as part of a program to combat the recession. Yesterday, just 11 days later, the President directed Agriculture Secretary Benson to accelerate the approval of these same loans at current interest rates—this also was cited as an antirecession measure.

The same situation exists for the college-loan program and the urban-renewal program. One day the way to proceed is to raise interest rates; 11 days later this great recommendation is

abandoned. Or is it? Can the Congress or the public determine what the program is? Furthermore, the White House press release, which newspaper accounts report as loosening "the Treasury's purse strings to speed work on \$2,255,000,000 worth of projects," is a gigantic fraud, and deception.

I ask unanimous consent to have printed in the *Record* at this point a copy of the President's press release of yesterday.

There being no objection, the press release was ordered to be printed in the *Record*, as follows:

#### THE WHITE HOUSE.

The President today sent the following letters to Albert M. Cole, Administrator, Housing and Home Finance Agency, and Ezra T. Benson, the Secretary of Agriculture, designed to accelerate federally aided construction totaling over \$2½ billion in private, State, local, and Federal funds. The amounts under the various programs are:

Housing and Home Finance Agency	
In millions	
Public facility loans.....	\$75
College housing loans.....	300
Urban renewal (redevelopment and supporting facilities).....	1,000
Public housing program.....	140
Department of Agriculture	
In millions	
Rural electrification loans.....	\$740

#### The details of the letters follow:

"DEAR MR. COLE: In accordance with the policy announced in my statement of March 8, 1958, of accelerating where feasible construction programs under existing appropriations and authorizations, you are directed to take the following steps with respect to programs under the jurisdiction of the Housing and Home Finance Agency:

##### "PUBLIC FACILITY LOAN PROGRAM

"You are instructed to take all feasible administrative steps to secure the commencement of construction of projects supported under the public facility loan program including the use of Federal financing during construction where such financing will avoid a delay in initiating the project. Preference should be given to loans for projects ready for immediate construction. In addition, you should liberalize the program by extending eligibility for loans to communities of larger population and by broadening the categories of public works eligible for loans. To assure adequate funds to finance this accelerated program, I am directing the Director of the Bureau of the Budget to release present reserved balances of the \$100 million authorization for this program for use as needed for the processing of applications.

##### "COLLEGE HOUSING

"You should launch a vigorous program to expedite construction on some \$300 million in college housing loans on which planning is complete or substantially under way, and which have not yet been placed under construction. To this end, you should undertake, in cooperation with the governing officials of applicant institutions, to assure that there is no avoidable delay in the commencement of construction on college housing program projects. In this case again, Federal advances for construction should be used to the extent necessary to accomplish this purpose.

##### "URBAN RENEWAL

"Public and private construction planned in connection with urban renewal projects in execution or about to be placed in execution involves investments of hundreds of millions of dollars. In many cases the land

involved has been acquired, cleared, and improved, and in some has been sold or leased for redevelopment. This large volume of essential construction should be accelerated. To this end, top priority should be given in the operations of your agency to urban renewal activities:

"1. Facilitating and accelerating the undertaking of construction on urban renewal project sites where the land has already been disposed of for redevelopment in accordance with an approved urban renewal plan.

"2. Accelerating the disposition of project land which can be made available for early construction when sold.

"3. Prompt initiation of installation of public facilities and site improvements.

"In connection with the foregoing, you should where necessary authorize local communities to undertake public facilities and site improvements with their own funds for later incorporation in the financing of the project. Where local public or private construction is to be undertaken with Federal financial assistance, you should take all necessary steps to assure that such assistance is available when required and that the necessary construction is undertaken at the earliest feasible and appropriate time.

#### "PUBLIC HOUSING

"You should secure a review of the status of all projects under annual contributions contract on which construction has not started and, in cooperation with local officials, take all reasonable and feasible steps to see that any obstacles remaining are eliminated and that construction of such projects is promptly begun. This should result in starting construction on new projects at a substantially faster rate than was previously planned.

"Sincerely,

"DWIGHT D. EISENHOWER.

"HON. ALBERT M. COLE,

"Administrator, Housing and Home Finance Agency, Washington, D. C."

"DEAR MR. SECRETARY: In accordance with the policy announced in my statement of March 8, 1958, of accelerating, where feasible, construction programs under existing appropriations and authorizations, you are directed to take the following steps with respect to the Rural Electrification Administration loan programs:

"1. Encourage REA borrowers to accelerate necessary construction of electrification and telephone facilities under already approved loans. I am informed that there is a total of some \$740 million of balances available but not yet used under previously approved loans. Since these funds would be used for needed facilities, it may be possible for co-operatives and other borrowers to move forward the time at which orders are placed with manufacturers of materials and equipment under these programs.

"2. Encourage additional facilities loans to finance farm and rural home installations for electrical services, and the purchase of electrical appliances and other equipment. Funds are presently available under the REA program which can be used to finance such installations and purchases by consumers. Additional purchases of facilities, where needed for improved farm and family living, would be of special benefit to the economy at this time.

"Sincerely,

"DWIGHT D. EISENHOWER.

"The Honorable EZRA TAFT BENSON,

"The Secretary of Agriculture,  
Washington, D. C."

Mr. FULBRIGHT. I ask unanimous consent to have printed in the *Record* at this point the headline of the Washington Daily News of yesterday to illustrate what I mean.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

**IKE MOVES TO SPEED UP JOBMaking PROJECTS—IKE ACTS TO SPEED UP \$2¼ BILLION OF PROJECTS**

President Eisenhower loosened the Treasury's purse strings today in an effort to speed job-producing work on \$2,255 million worth of public housing and rural electrification projects.

He directed Housing Administrator Albert M. Cole and Agriculture Secretary Ezra T. Benson to do their utmost to accelerate work on projects financed at least in part by Federal loans and grants.

The total construction he is trying to speed up includes \$75 million for sewer and water projects and similar public facilities; \$300 million for college housing; \$1 billion for slum clearance and urban renewal; \$140 million for public housing; \$740 million on rural electrification.

Mr. FULBRIGHT. Mr. President, the plain truth of the matter is that the President did not activate a single dollar of new money, he did not add one dime to the funds which have been available for many months, and he actively opposed a bill which would actually do what the President claims ought to be done. It is becoming almost an impossible task to keep pace with Presidential efforts to prevent necessary Congressional action.

I urge my colleagues in the Congress, and the people in particular, to look behind these press releases, and not be lulled by this facade. I know that those of us in the Senate who are truly concerned about the current recession will continue to take necessary legislative action in spite of White House opposition and propaganda as to the effects of what they are actually doing.

**AN EXAMPLE OF THE GROWTH OF AMERICA UNDER THE FREE-ENTERPRISE SYSTEM**

Mr. WILLIAMS. Mr. President, in these days when we hear so much of gloom and doom, it is very encouraging to hear a businessman sound an optimistic note along with an expression of faith in the growth of America under the free-enterprise system.

Mr. W. O. Heinze, president of the International Latex Corp., with headquarters in Dover, Del., has just issued a statement calling attention to the fact that their sales this year are reaching an alltime high.

The International Latex Corp. has around 1,900 employees at the Dover, Del., plant and employs close to 6,000 throughout their organization.

A few months ago they recognized that there was talk of a declining buyers' market, and they took prompt steps to meet the situation. They launched a more aggressive advertising and sales campaign. Then supported by an enthusiastic group of employees cooperating with management in putting out a good product, the result has been that their orders have picked up tremendously. Their plants are operating at full capacity, and many of the employees are working overtime to help fill the corporation's orders.

This shows what can be done in America when an employer has the vision and

courage supported by faith in his product.

This is an excellent example which should be followed by many other employers. Certainly the best way to accelerate consumer buying is for the management itself to express confidence in its own products and in the free-enterprise system under which we operate instead of waiting for Washington to solve its problems.

I commend both the management of the International Latex Corp. and their employees, and I am proud that they are a part of our State of Delaware.

I ask unanimous consent to have incorporated in the RECORD the statement issued by Mr. W. O. Heinze, president, in connection with this subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. W. O. HEINZE, PRESIDENT OF THE INTERNATIONAL LATEX CORP., DOVER, DEL.

I am amazed at the amount of complaining which a lot of businessmen are doing about the current recession. The so-called recession in business is in reality a recession in initiative and enterprise—the things that make America great.

The same native characteristics of initiative and enterprise exist today—only they are not being used. At Playtex we have put these truisms into action.

First, we started by giving the American woman an extraordinary value. Next, we had the courage to back our faith with bold and aggressive merchandising. Third, we have stepped up our advertising to \$15 million a year.

The results are that at Playtex there is no recession. Instead of laying off our people we are adding to our force. February was the biggest month in our history. Stores across the Nation report big increases in Playtex sales—up to 10 times the volume of earlier months.

We are not only helping ourselves but we are helping our competition and helping retailers by bringing additional traffic into their stores. Traffic which buys everything else in their store regardless of make or price.

I am convinced that confidence must start with the businessman himself. He must not wait for Washington. He must give the public better value and have the courage to back it with extra merchandising effort, and business will soon stop singing those recession blues.

**STEER PRICES AT HIGHEST LEVEL SINCE 1952**

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in today's Wall Street Journal entitled "Top Grade Steer Prices Hit Highest Level Since 1952 on Heavy Demand."

I am asking that the article be incorporated in the RECORD to show that the whole United States has not gone broke, as some people would like to picture it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOP GRADE STEER PRICES HIT HIGHEST LEVEL SINCE 1952 ON HEAVY DEMAND—RISE TO \$39 A HUNDREDWEIGHT REFLECTS LIGHT RECEIPTS—HOGS ALSO SHOW GAIN

CHICAGO: The price of top grade slaughter steers shot up to \$39 a hundred pounds here, the highest since April 1952, as broad de-

mand and short supplies pushed most steers up 50 cents to \$1.

The \$39 price went for a load of 1,250-pound high prime-fed steers. This was up \$1.50 from the recent high as buyers competed for the small supply of beef animals that carried a prime rating. A few other loads of prime animals went at \$38.50. The record high for this type animal is \$42.50 paid early in 1951.

The recent advance in cattle prices reflects the small number being shipped to market. During the first 3 days of this week, for instance, the Chicago yards received only about 35,000 cattle, or 10,000 less than a year earlier. At the 12 main markets the run the first 3 days was 32,500 under the 200,000 received in the like period last year.

**HOGS KEEP PACE**

The hog market just about kept pace with the market for cattle. Butcher hogs reached a \$22.35 top, up 35 cents from Tuesday and the highest since last August 12. It was only \$1 under the 1957 high of \$23.35 set August 1.

For the second day in a row hog prices edged up 25 to 50 cents a hundred pounds. While only 60 head of No. 1 grade butcher hogs weighing 220 pounds reached the \$23.35 high, the bulk of the 6,500 head received here graded No. 2 and No. 3 and brought \$21.25 to \$22, and even some heavyweights of up to 33 pounds didn't go any lower than \$20.50.

The recent upsurge in prices hog farmers and cattle feeders and ranchers have enjoyed stems almost wholly from reduced marketings of live animals. This has meant a cut in meat production and higher prices for fresh meats at wholesale and retail.

United States meat production in the week ended last Saturday was estimated at 352 million pounds, 11 percent under a year earlier, the Agriculture Department reported. In the same week, some 320,000 head of cattle were slaughtered, 10 percent fewer than in the like week last year, while the 1,170,000 hogs butchered were 8 percent less than a year earlier. Even the sheep and lamb slaughter of 225,000 head was about 12,000 under a year earlier.

**BEEF, PORK OUTPUT LOWER**

Beef production during the week was 176 million pounds, compared with almost 200 million a year earlier, and the pork output of 152 million pounds fell below the 164 million produced a year ago.

The figures represent the slaughter of live animals and output of fresh meats in plants under Federal inspection. This accounts for 75 percent to 80 percent of the total kill and production in the United States.

Here's what the cutback in slaughter and higher live animal markets have done to fresh meats: Yesterday, the popular-weight 8- to 12-pound pork loins brought \$48.50 to \$52 a hundred pounds in the Chicago wholesale meat market. A year earlier they were priced at \$39 to \$42. Choice grades of carcass beef, the kind handled in most chain stores and in the 500- to 600-pound range, cost \$46.50 to \$49; a year earlier they were \$36 to \$38.50.

**DISCRIMINATION IN EMPLOYMENT BECAUSE OF AGE**

Mr. NEUBERGER. Mr. President, several other Senators and I are sponsoring legislation, which I have introduced, to prohibit discrimination because of age on all Government contracts and in the supplying of Government agencies.

I now learn with a great deal of satisfaction that the State legislature of the most populous State in the Union, the State of New York, has enacted the McGahan bill, which makes illegal discrimination in employment because of age.



The New York Times, in its edition of today, Thursday, March 20, has approved the McGahan bill in a very thoughtful editorial entitled "Age Bias In Employment."

I should like to read one paragraph from the editorial:

In other words, age discrimination in employment—at least up to 65—is not only unfair, but a prodigious waste of valuable human resources. And even compulsory retirement at 65 is being increasingly questioned. As a general principle, character and ability should be the sole qualification for getting, and keeping, any job.

Mr. President, I thoroughly endorse that statement of the New York Times. I hope the enactment by the New York State Legislature of that bill, which seeks to end discrimination in jobs because of age, in the most populous State of the Union, will serve as a stimulus and an impetus for Congress to take action on the bill which I have introduced, with the cosponsorship of a good many Members of the Senate, including the distinguished junior Senator from Wisconsin [Mr. PROXMIER], who is presently presiding over the Senate.

In conclusion, I should like to note that the organization in our country which deserves most of the credit for keeping this issue alive before the American people and before their Representatives in Congress and in State legislatures is the Fraternal Order of Eagles, which has its national headquarters in Milwaukee, the largest community in the State so ably represented by the Presiding Officer.

I ask unanimous consent that the editorial published in the New York Times be printed in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### AGE BIAS IN EMPLOYMENT

The passage by the State legislature of the McGahan bill raises a basic question of increasing urgency: Shall discrimination in employment based solely on age be prohibited by law? The McGahan measure makes this practice illegal as to those from 45 to 65—in help wanted advertising, hiring, pay, working conditions, promotion and discharge.

During the past decade or so the status of older people in American life has, of course, radically changed. This has been partly a matter of mere increased numbers—both in total and in relation to the entire population. Also, recent studies have shown that older workers are far more capable than had been commonly supposed. By and large, and within obvious limits, older workers are more productive than younger ones, are less often absent, have fewer accidents and greater skills, are likely to remain longer on the job and may not increase pension and insurance costs.

In other words, age discrimination in employment—at least up to 65—is not only unfair, but a prodigious waste of valuable human resources. And even compulsory retirement at 65 is being increasingly questioned. As a general principle, character and ability should be the sole qualifications for getting, and keeping, any job.

A great deal is already being done by Government on a purely voluntary basis to give older workers a better break—for example, the State's regional employment committees, its special consulting and placement services, partly financed by Federal grants,

and Governor Harriman's efforts to get employers to sign antidiscrimination pledges. All this is to the good, but the time has now come to invoke the added authority of law, as have Massachusetts, Pennsylvania, and Rhode Island.

Any such statute, however, should operate more through example, education and persuasion than through detection, prosecution and punishment. The McGahan measure provides for this by putting administration into the hands of the State Commission Against Discrimination. The commission has already used these more enlightened methods with notable success in enforcing the existing antiracial bias law. Governor Harriman should approve the bill.

#### AN EXPANDED RURAL HOUSING PROGRAM

Mr. COOPER. Mr. President, the Secretary of Agriculture, Mr. Benson, announced today two important programs which will be very helpful in carrying out the President's broad program of economic recovery. Moreover, they will meet the permanent needs of our farm population and will have lasting value.

I doubt that much note will be taken of these two measures. Yet they could have great influence upon our farm economy and upon other measures taken to combat the recession.

The first program deals with the construction of farm housing, and the modernization of existing farm housing. Section 606 of the Housing Act of 1956 authorized \$510 million for farm-housing loans of various types. The Secretary of Agriculture was authorized to issue notes to the Treasury to the extent of \$450 million during the period beginning July 1, 1956, and ending June 30, 1961. In turn, the sums borrowed from the Treasury were to be loaned through the Farmers Home Administration to farmers for the construction and modernization of housing, at 4 percent interest and repayable up to a maximum of 33 years. Of this authorization of \$450 million, \$380 million is still available for farm housing.

The original regulations issued by the Department of Agriculture provided that loans under the Housing Act should be made to farmers who were engaged "in substantial agricultural production." The new regulation of the Department of Agriculture, promulgated today, would make loans available to "owners of farms capable of an annual production of \$400."

This change in regulations will immediately make eligible for loans a large number of farm owners. It will provide assistance to owners of small farms, to part-time farmers and I would think, particularly, to small farms immediately adjacent to rural communities now ineligible for housing loans either under the Farmers' Home Administration or the Federal Housing Administration.

It is my understanding that a number of these applications are on file now in local Farmers' Home Administration offices throughout the country, which could not be acted upon because of the old regulations. Now, with the new regulation, which makes eligible farmers with an annual production of \$400, many

of these loans can be made immediately and of course additional thousands processed.

This program should very quickly reach into every State and county in the United States. It can provide work for thousands of our labor force, stimulate the sale and production of housing materials, as well as home appliances for kitchens, baths, and generally all of the materials and appliances which go into the construction, modernization, and repair of housing. These loans can be made also for the construction, repair, or modernization of barns and other farm service buildings.

For some days now I have been talking to the officials of the Farmers' Home Administration, urging the expansion of this act. In my first conversations 2 weeks ago, I was told that the Department of Agriculture and the Farmers' Home Administration were conferring with the White House on the expansion of this farm program. I am very glad that a decision has been made to broaden the scope of the program, so as to make its advantages available immediately to thousands of owners of small farms throughout the country.

A few days ago the Senate passed a bill to authorize about \$1,850 million; but today, by a change in regulation, the Department of Agriculture has made available \$380 million for the construction, modernization, and repair of farm houses and farm facilities throughout the Nation.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. SPARKMAN. How long have those funds been available to the Department of Agriculture?

Mr. COOPER. The funds were made available in July 1956.

Mr. SPARKMAN. Was it not 1957?

Mr. COOPER. The basic act is the Sparkman Act of 1949.

Mr. SPARKMAN. I am familiar with that.

Mr. COOPER. I know the Senator is quite familiar with it. It bears his name.

Mr. SPARKMAN. I am glad the Senator is bringing up this matter. I am delighted that the administration is moving ahead with this program, because it has been a good program. But there have been repeated recommendations by the President to do away with the program. Last year, when it was pending before the Committee on Banking and Currency, testimony was again presented in favor of its discontinuance. If the Senator from Kentucky will refer to the President's state of the Union message last year and to his budget message, he will see that the program was recommended to be discontinued.

For 3 years the administration simply refused to do anything with the program and declined to ask for any appropriations.

Last year the Senate Committee on Banking and Currency recommended to the Senate that the program be extended for 5 years. We were told by representatives from the Department of Agriculture that if the program were placed

on a 5-year basis, the Department would be able to handle it better. We made available at that time \$450 million.

So I am delighted, along with the Senator from Kentucky to know that the Department of Agriculture, at long last, is admitting that there is a real program of good which can be accomplished and is making available the funds they have had.

Mr. COOPER. The Senator from Alabama knows more about this program. I should say, than any other Member of the Senate.

The basic act is the Sparkman Act of 1949. It is true that in 1956, \$450 million were made available for farm housing construction, modernization and repair over a period of 5 years. The Secretary of Agriculture has borrowed, from the Treasury, I understand, about \$70 million, which has been loaned. The remainder of the fund, \$380 million, is now available because of today's decision.

Mr. SPARKMAN. That is correct. I commend the Senator from Kentucky for calling our attention to the program and for what he has had to say about it.

We talk about housing to replace slums. Often we forget that some of the worst slum conditions in the Nation are to be found in the rural areas on the farms. Some of the most deplorable housing conditions are to be found there.

This measure was designed originally to help provide relief to those persons. It is the only part of the housing program which applies to farm dwellings.

Mr. COOPER. As the Senator has said, housing programs are available for cities—public housing, urban renewal—for ordinary Federal housing programs, and for veterans' housing.

The provision for farm housing which the Senator from Alabama worked hard to secure, was placed in the act to help farmers who simply could not qualify for the regular housing programs.

About 2 weeks ago I inquired into the matter to find out if the Department would liberalize its regulations so that a larger amount of money could be made available to owners of small farms, many of them adjacent to communities.

The Department of Agriculture has today announced the liberalization of its regulations so as to benefit farmers who produce at least \$400 of agricultural products a year. The Department will have available \$380 million, which is a large sum, for farm housing and repair.

A few minutes ago the Senator from Alabama commented that these funds had not been made available in their totality to farmers. I do not know all the circumstances. I listened a few minutes ago to the speech of the junior Senator from Arkansas [Mr. FULBRIGHT], who was critical of the administration and the President, because, as he said, the administration only now is using funds which, he said, have been available. That is true. But there is a reason. I call attention to the fact that 1 year ago there was a tremendous battle in the Congress—the battle of the budget. Many people throughout the Nation urged the Congress to cut the President's budget, and there was a tremendous out-

cry in Congress against the President's budget.

Senators on this side of the aisle urged that the budget be cut. But the leadership in cutting the budget and cutting down the expenditures that they now urge, came from the majority side of the aisle.

The budget was cut; and with the help of the Democratic Party, the expenditures which they are now urging were not possible, because of the great fight they made a year ago to reduce expenditures.

The second announcement of the Department of Agriculture encourages farmers to build or buy needed storage facilities, such as corncribs and grain bins. The Commodity Credit Corporation is authorized to make loans for this purpose up to 80 percent of the cost of the storage facilities, at 4 percent interest repayable in 5 years. An additional value of this program is that it would make available to farmers price supports on their farm-stored grain. This would eliminate the necessity of conveying grain to commercial storage facilities. As there is at present a shortage of storage facilities, this program would also have great national value.

With \$380 million available for farm housing loans and ample funds for farm-crop storage facilities, these two programs, if vigorously pushed, can be of great help in our present economic situation. And as I said at the outset of my remarks, the expansion of both programs will provide needed improvements to farms throughout the entire United States.

I congratulate the Secretary of Agriculture upon these forward steps.

I ask unanimous consent to have printed in the body of the RECORD the press release of Secretary of Agriculture Benson on this subject, dated March 20, 1958.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

#### SECRETARY BENSON ANNOUNCES PLAN TO EXPAND FARM CONSTRUCTION LOANS

Secretary of Agriculture Ezra Taft Benson today announced expansion of loan programs for construction work on farm structures as an additional antirecession measure.

Secretary Benson directed the Farmers' Home Administration to broaden its farm housing construction loan program, and the Commodity Credit Corporation to work aggressively with farmers and others on constructing needed grain storage. He told these agencies to broaden their programs to the fullest possible extent under existing authorizations so more farm people can obtain farm construction loans.

Secretary Benson said adequate loan funds are available for the expanded loan programs and that such construction will stimulate economic activity locally as well as nationally.

"Utilization of materials and labor in farm construction work will bolster the economy across the board," he said.

"President Eisenhower," he continued, "has stressed the Government's responsibility when an economic downturn occurs to help bring about an increase in employment and business activity. Use of these credit measures will do just that."

"Construction loans will enable farmers to repair, alter, modernize or erect new buildings, needed grain-storage facilities, or

service buildings like machine sheds and barns. Industry, local workers, the many construction trades, local businesses and the farmer himself will all benefit."

Kermit H. Hansen, Administrator of USDA's Farmers' Home Administration, has issued new instructions to field offices authorizing the new program.

"In addition to major construction on farms of eligible borrowers," Mr. Hansen said, "there are many other needs for farm building and farm-home modernization. They include providing water for farmstead and household use and in adding bathrooms, utility rooms, better kitchens, and many other improvements to the homes as well as to farm service buildings."

"These loans are available to farmowners either for themselves or their tenants."

Farm construction loans are made on favorable terms for periods up to 33 years at 4-percent interest. FHA serves farmers who are unable to obtain adequate credit through commercial or cooperative lenders. Loan applications are filed at the local county FHA office.

Meanwhile to help solve the tight grain storage situation which USDA officials believe will arise this year the Commodity Credit Corporation is urging farmers to build needed bins and cribs and to expand present storage facilities and replace wornout or unsatisfactory structures.

Under CCC's continuing farm storage and equipment loan program producers can borrow up to 80 percent of the cost of the new bins and cribs. The loans made at 4-percent interest can be paid off over a period of 5 years.

"This is a prime opportunity for farmers to further their interest," Secretary Benson said. "The additional needed storage space farmers can obtain with CCC help now—will pay for itself."

Mr. COOPER. I applaud also the long efforts and the interest of the Senator from Alabama [Mr. SPARKMAN] in these two fields.

#### UNEMPLOYMENT FIGURES

Mr. DOUGLAS. Mr. President, the administration has announced that it wants to wait until approximately the middle of April to decide whether or not it will advocate tax cuts. It bases its decision to postpone action on the ground that it does not yet know what the unemployment figures will show for March.

It is true that the complete statistics on unemployment for March 15 will not appear until approximately April 10. But it is also true that the Department of Labor publishes weekly statistics on insured unemployment in the country, covering the unemployed under Federal and State railway and veterans' unemployment laws, and that from these figures one can make a very precise estimate of what the total number of unemployed in the country will be on a given date.

It may be remembered that on the basis of these figures, I predicted, early in February, that the unemployment figure for January 15 would be shown to be 4,500,000 and that that was almost precisely the figures which appeared some days later.

It may also be remembered that some weeks ago, I predicted, on the basis of the same statistics, that the unemployment figure for February 15 would be approximately 5,200,000, and that that turned out to be precisely the case.



There was no magic in those predictions of mine, because we had discovered that the number of insured unemployed formed from month to month approximately 63 percent of the total number of unemployed. The insured unemployed do not cover a number of categories of unemployment which need to be considered and are taken into consideration by the Bureau of the Census when it makes its sample covering in the middle of the month.

For example, the figures on insured unemployed obviously do not cover those who are unemployed in uncovered occupations and uncovered plants. The smaller plants are very commonly not covered by the various State unemployment insurance laws, and certain categories of employment are omitted completely.

Second, the figures on insured unemployed do not cover those in the first week of unemployment, who later claim benefits. Generally they are not eligible for benefits until a week has passed.

Third, the statistics on insured unemployed do not cover those who have exhausted their claims for benefits, but who have not yet found employment. As a result, the statistics on insured unemployed have fallen short, by about 37 percent of the total, from covering that total, and therefore have applied to roughly 63 percent of the final, total figure.

We now have on hand the figures for the insured unemployed for February 15, February 22, and March 1; and I am now in a position to estimate what will be the total number for March 8.

Very briefly, the insured unemployment for February 15 amounted to 3,338,000; for February 22, 3,487,000—or an increase of 149,000; and for March 1, 3,503,000—or an increase of 16,000.

On the basis of State figures which I have collected, I now predict that the figure for the insured unemployed for the week of March 8 will be found to be approximately the same as the figure for the week of March 1, or within a close range of 3,500,000. That is an increase of approximately 163,000 over the figure on insured unemployed from the 15th of February.

Taking these insured unemployment figures as forming approximately 63 percent of the total number unemployed, we get the following:

For February 22, estimated total unemployed of 5,530,000.

For March 1: 5,560,000.

For March 8: 5,556,000.

With the passage of time, as the number of those who have exhausted their claims to standard benefits increases, one would expect that the ratio of the insured unemployed to the total number of unemployed would diminish, and that instead of 63 percent, perhaps the figure 62 percent would be more appropriate.

If 62 percent is taken as the base, it would give an estimated total unemployment figure of 5,645,000 for completely unemployed persons.

Mr. President, normally one would expect a decrease in unemployment between the middle of February and the middle of March, because of the seasonal pickup which generally occurs at this

time. For example, in 1956 the March figure for unemployment was 80,000 less than the February figure; and in 1957, the March figure was 239,000 less than the February figure.

It was this usual, seasonal pickup in employment and corresponding decrease in unemployment that the President's advisers were apparently relying on when they got him to issue his statement that March would be the beginning of the end of unemployment.

Of course we do not yet have the figures for March 15; but 3 of the 4 weeks have passed, and the total unemployment has probably increased from 5,200,000 to somewhere between 5,400,000 and 5,650,000; or in 3 weeks the unemployment has increased from 200,000 to 450,000, instead of diminishing by the usual, seasonal figure of between 80,000 and 240,000.

A big pickup in employment and a decrease in unemployment would have to have occurred between March 8 and March 15, in order to bring down the March figure to even an equality with the February figure.

Next week, on the basis of my material on insured unemployment, I shall make an estimate of what the total unemployment will be for March 15. I can only say that on the basis of the figures to date—up to March 8—there has been an appreciable increase in unemployment, instead of the usual, seasonal decrease in unemployment.

This raises the question as to what the administration is waiting for. The weekly figures are in. We know that the economy is drifting downward. Why wait another 3 weeks to find out what should be apparent to anyone who has a pencil and can collect figures from the various State employment agencies?

It will be interesting to see what statistics the Bureau of Labor issues tomorrow on the number of insured unemployed. I estimate it will be around 3,500,000, and that, on the basis of that number of 3,500,000, the total unemployment figure for the 8th of March will be somewhere between 5.4 million and 5.65 million, and that the most probable figure will be something over 5½ million, instead of the 5,200,000 as of the 15th of February.

Mr. President, I do not get any joy out of quoting these figures. I regret as much as anyone that the economy is drifting downward. But I have always maintained that one should face facts. It so happens that the formula I have used has been proved correct in every instance this winter.

I urge, therefore, that the administration not wait any longer; that every day of delay may cause us more trouble; that the country needs action, and needs action now.

#### SIXTH ANNIVERSARY OF UNITED STATES ESCAPEE PROGRAM

Mr. KNOWLAND. Mr. President, I wish to bring to the attention of the Senate the fact that this Friday, March 21, will be the sixth anniversary of the United States escapee program.

The escapee program—USEP, it is called—is one of which all Americans

should be informed, one of which any American can be proud.

So long as the world is divided, half free and half slave, men will be drawn to freedom, and will risk their lives to reach it. But 6 years ago those who had risked their lives to reach freedom from behind the Iron Curtain faced a desperate situation. Arriving destitute, in totally strange lands, they found local authorities unable to care for them, and it seemed that the new life they had fled to was one of misery and despair. Their disillusionment was being effectively exploited by Communist propaganda.

Then in March of 1952, President Truman announced the escapee program, the response of all the American people to this great need.

These men and women—

He said—

friends of freedom—ask only for an opportunity to play a useful role in the fight for freedom. It is the responsibility of the Free World to provide this opportunity.

In the years since, this program has, I believe, given aid, hope, and confidence to more than 315,000 escapees from communism through reception, interim care and maintenance, and resettlement assistance.

I congratulate those who are in charge of administering this most excellent and vital program. I wish them every success in their further efforts, and I know we all hope that the day may come when freedom will go increasingly to the enslaved peoples, so that men will no longer be required to risk their lives in order to flee to freedom.

I turn now to another subject.

The PRESIDING OFFICER. The Senator from California.

#### PROPOSED SUMMIT MEETING

Mr. KNOWLAND. Mr. President, there has been considerable discussion in recent months over the Soviet Union's proposals urging another summit meeting. The position of this Government has been in the past, and continues to be, that this country will participate in high-level meetings with the Soviet Union if there is an assurance that serious efforts will be made to reach agreement on some of the grave problems of international concern.

In Belgrade this past week Yugoslavia's Tito attacked the western countries and the United States in a public speech for attempting to sabotage the proposed summit conference. Marshal Tito also stated that he was happy with the Soviet proposals for the summit conference.

Mr. President, if there was ever any doubt in the minds of reasonable people on where the self-interest of Marshal Tito really lies, these recent pro-Soviet remarks of his should remove their misunderstanding. The Communist Government of Yugoslavia under Tito has constantly sided with the Soviet bloc in voting against the interests of a Free World on fundamental matters of principle that have arisen in the United Nations in the past several years.

This is the same Marshal Tito to whose government the citizens and taxpayers of

the United States have contributed nearly \$1½ billion of assistance in our foreign-aid programs.

#### HOUSE AMENDMENTS TO SENATE JOINT RESOLUTION 162, FREEZING SUPPORT PRICES

Mr. GORE. Mr. President, on behalf of the distinguished majority leader, I desire to announce that if the chairman of the Committee on Agriculture and Forestry should desire to bring before the Senate for its consideration tomorrow the motion to agree to the House amendments to Senate Joint Resolution 162, it would be in order to do so tomorrow.

Mr. KNOWLAND. Mr. President, that matter has not been discussed with me. I should like to withhold consent at this time. I think we should have additional notice, because there are Senators who have not been advised that such consideration might be had.

Mr. GORE. It was not my intention to ask consent, but merely to call it to the attention of the Senate and make it a matter of record, so that Senators might be on notice that it might be in order to obtain consent of the distinguished minority leader tomorrow.

Mr. KNOWLAND. It would be my hope that the matter would not be taken up tomorrow, for reasons of which the majority leader has been advised.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1984) to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Smithsonian Institution to house certain art collections of the Smithsonian Institution.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10881) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. THOMAS, Mr. WHITTEN, Mr. ROONEY, Mr. TABER, Mr. H. CARL ANDERSEN, and Mr. CLEVENGER were appointed managers on the part of the House at the conference.

#### ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 235. An act to increase from \$50 to \$75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service;

S. 2120. An act to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division; and

S. 3418. An act to stimulate residential construction.

#### RECESS TO 11 A. M. TOMORROW

Mr. GORE. Mr. President, pursuant to the order previously entered, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 18 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Friday, March 21, 1958, at 11 o'clock a. m.

#### NOMINATIONS

Executive nominations received by the Senate March 20 (legislative day of March 17), 1958:

##### IN THE ARMY

Maj. Gen. John Honeycutt Hinrichs, O17174, Army of the United States (brigadier general, U. S. Army), for appointment as Chief of Ordnance, United States Army and as major general in the Regular Army of the United States, under the provisions of title 10, United States Code, section 3036.

The following-named officer for appointment in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3306:

##### TO BE BRIGADIER GENERAL, MEDICAL CORPS

Brig. Gen. Clement Franklin St. John, O18258, Army of the United States (colonel, Medical Corps, U. S. Army).

The following-named officer for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

##### TO BE MAJOR GENERAL

Brig. Gen. Charles Edward Beauchamp, O18238, Army of the United States (colonel, U. S. Army).

The officer named herein for appointment as a Reserve commissioned officer of the Army under the provisions of title 10, United States Code, section 593 (a):

##### TO BE MAJOR GENERAL

Brig. Gen. William Henry Abendroth, O245799, National Guard of the United States.

## HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 20, 1958

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

*Zechariah 4: 6: Not by might, nor by power, but by My spirit, saith the Lord of hosts.*

Almighty God, may we be numbered among those who daily walk in the ways of godliness and goodness, meeting our most arduous tasks with faith and fortitude.

We humbly acknowledge that so frequently we are tempted to feel that our longings and struggles for peace on earth and good will among men are futile.

Grant unto us a greater confidence in the glorious prediction that the day is coming when men shall beat their swords into plowshares and their spears into pruning hooks and all shall know Thee.

May we find our help and hope, our calmness and courage in the conquering love and spirit of the Lord of hosts.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 7226. An act to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5836) entitled "An act to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. MONRONEY, and Mr. CARLSON to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 10843) entitled "An act to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. AIKEN, and Mr. YOUNG to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5822) entitled "An act to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

#### NO FEDERAL AID NEEDED NOW

Mr. ALGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALGER. Mr. Speaker, the personal income of Americans during February 1958 was the highest in the history of the Nation for this month of the year. Commerce Department figures show that personal income this February was at an annual rate of \$341.8 billion, compared to \$338.5 billion during February of 1957, and \$317.1 billion during February of 1956.

Now I want to tell a story.

A friend of mine used to tell about a hard working not too well educated fellow who, through diligence and hard work, became a considerable success in the hamburger business. As he prospered, full of confidence, he plowed his